

**WORLDWIDE
FARMER-TO-FARMER PROGRAM
FAO-A-00-96-00005-00**

YEAR SIX, SEMIANNUAL TWO

**SEMIANNUAL REPORT
FOR APRIL 1, 2002 – SEPTEMBER 31, 2002**

Submitted by

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PROGRAM UPDATE

I. SUMMARY OF PROGRAM PROGRESS

Below is a country by country description of progress towards the project end results achieved over the last 6 months.

1. MEXICO

Results Planned:	Progress:
<p><i>Micro-Enterprise Development</i></p> <ul style="list-style-type: none"> ❑ At least three (3) member-driven organizations will increase total sales revenues by at least twenty (20) percent by the end of the program ❑ At least ten (10) new market linkages will be established that buy directly from participating Mayan communities ❑ An increase of at least twenty-five (25) percent in participation of Mayan women in business and organizational expansion 	<ul style="list-style-type: none"> • Community Based Rio Florido established production and increased sales from less than 10 kg to 1000 kg of value added organic wheat to a premium market at 6 pesos/kg • Women's chocolate groups in Santana & C-11 increased chocolate sales from 0 to close to 750 kilos/month since September 2002. • A coffee cooperative marketing their coffee to premium markets has increased the price members are receiving by 47%, from \$1.02 per pound to \$1.50 per pound • 4 cocoa value added marketing associations have increased cocoa revenue 40% from \$1,250/ton through higher price for value added product (\$1,500/ton) and reduction in processing fees (by \$500/ton). • 3 women's chocolate production groups increased sales volume 500% from 100 kilograms sold locally in 1996 to 600 kilograms sold locally and internationally in 2001. • Community Based Rio Florido established sales of 1000 kg of value added organic at 6 pesos/kg to 4 new buyers • Women's chocolate groups in Santana & C-11 sell to organic based distributor in Mexico City • 3 new market linkages have been established for the Mut Vits coffee cooperative, 1 internationally, 1 nationally in Mexico City, and 1 locally in San Cristobal. • A total of 4 new marketing linkages have been established by 4 cocoa value added marketing associations selling to Nestle, Corona and Alpici. • Organic rice market being developed; rice presented at an International Food Fair • Women involved in value added chocolate process increase 53% in 1997 from 1996 levels (15 to 23), and 393% by 1999 from 1996 levels (15 to 74) • Increase in women chocolate producers due to increased demand for chocolate (25 in 2000 to 35 in 2002).
<p><i>Indigenous Community Strengthening through Agricultural Association Development</i></p> <ul style="list-style-type: none"> ❑ At least ten (10) new market linkages will be established that buy directly from participating Mayan communities. (See above) ❑ Active participation to include local community values in the political process. 	<ul style="list-style-type: none"> • Cooperative development in Chiapas has served to unite communities in this troubled region. Recently, they were able to collectively present their case to the government for assistance in defending the Lacandona Jungle area for protected status.
<p><i>Strengthening Local NGO Partners</i></p> <ul style="list-style-type: none"> ❑ Local partners developing income generating activities. 	<ul style="list-style-type: none"> • DANA has expanded its capacity by hiring a new staff person. This person is an agronomist and licensed to certify production organic. • ATCO starting marketing group within its organization. Easier to facilitate marketing and sales of chocolate domestically & internationally.

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	<ul style="list-style-type: none"> • ATCO currently developing capacity to facilitate international sales of value added commodities. • DANA has established an eco-tourism industry with the communities. Currently working on expansion of services through eco-tourism.
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2. JAMAICA/WINDWARD ISLANDS

Results Planned:	Progress:
<p><i>Increase in Sales to Premium Markets</i></p> <ul style="list-style-type: none"> ❑ At least one (1) organization exporting produce on a regular basis ❑ Increased income for at least fifty (50) producers of alternative crops through direct marketing of value added products ❑ At least five (5) associations with increased income through expanded market share of value added products ❑ (2) associations and (2) private farms with increased sales to premium markets ❑ At least five (5) agriculture organizations initiate export of produce on a regular basis. 	<ul style="list-style-type: none"> • HACCP compliance is allowing SFFP and Port Morant Food Processor to export Ackee to the US on a regular basis. • With the establishment of a honey bottling plant now under construction, up to 1,260 members of the All Island Bee Farmers Association will be able to increase income through the expanded market share of their value added product. • An increase of 564% in revenue through increasing sales from \$184.10 USD to \$1,222.52 USD through the development of a marketing proposal identifying 4 new agro-processing markets for Richard Thomas farm. • Increased direct sales, and decreased costs through improved production methods has resulted in an increase of 100% in net revenue for Leighton Smith Fish Farms from average monthly production of \$530 USD per pond to an average of \$1,060 USD per month per pond. • Farmer to Farmer developed grant funding of \$34,275 USD for packaging, grading and cold storage facilities. These facilities will allow the Garland Group to better supply the hotel industry in Montego Bay. Sales have increased for the group 64% from March 2001 \$2,168 USD to May 2002. At \$3,560 USD • Farmer to Farmer assisted Santoy Farmers Association in accessing funds from Agriculture Service and Support Programme for the establishment of cold storage and packaging building. • Santoy Farmers Association introducing a grading system for produce has led to occasional increased profits due to high quality. Accurate figures are not available on the increased in income at this time. • Two food processors finalizing HAACP certification, which will allow them to export to the premium US, market. • Working with 5 groups made up of 60 producers.
<p><i>Improving Environmental Protection</i></p> <ul style="list-style-type: none"> ❑ Establishment of the regular marketing of environmentally friendly produced produce from at least two (2) associations ❑ At least three (3) sustainable agriculture training modules developed and dissemination through collaboration with associations ❑ At least fifteen (15) percent of association members adopting these environmentally friendly practices. <p>100% of Santoy association members utilizing environmentally friendly drip irrigation system.</p>	<ul style="list-style-type: none"> • Eastman Organic Farm expanded production and marketing of organic produce through adoption of environmentally friendly irrigation methods. • Farmer to Farmer developed grant funding of \$30,548 USD for an environmentally friendly drip irrigation system for Garland's Group. This stopped the groups original plans which would have cemented an existing natural spring. • Trained 18 youth and one instructor at the Muirton Boys Home in erosion prevention through tree planting for agri-forestry hard wood project.
<p><i>Support for the At Risk Sectors of Jamaican</i></p>	<ul style="list-style-type: none"> • Increased profits for the Woman owned and managed

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<p><i>Agriculture</i></p> <ul style="list-style-type: none"> ❑ Membership of youth increases by ten (10) percent in three (3) producers' associations ❑ Increased profits for five (5) woman led/owned organizations 	<p>R&D Nursery through the reduction of irrigation costs from \$1,104 USD/month to insignificant monthly costs through a \$400 USD investment in irrigation infrastructure.</p> <ul style="list-style-type: none"> • Working with 3 Jamaican producer associations with significant youth membership. • Working with Garland Farmers groups, of which of one third, 4 of 12 members, are youth producers. • Trained 18 youth and one instructor at the Muirton Boys Home in erosion prevention through tree planting for agri-forestry hard wood project. • Working with 6 women led/owned organizations. Impact assessment being conducted during Year VI
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3. SOUTH AFRICA

Results Planned:	Progress:
<p><i>Sustainable Increase in Rural Household Income</i></p> <ul style="list-style-type: none"> ❑ Assistance is delivered to at least 500 small producers through collaboration with producer organizations will generate at least a five (5) percent increase in household incomes. 	<ul style="list-style-type: none"> • Program is in its first year and is in its start up phase. Staff has been hired and is developing assignments.
<p><i>Linkages between Subsistence Agriculture Sector and Commercial Agriculture Sector</i></p> <ul style="list-style-type: none"> ❑ At least one hundred (100) livestock producers with fattening operations develop beneficial links to slaughterhouses and increase household incomes by twenty-five (25) percent ❑ At least four (4) SME enterprises integrate marketing strategies for niche products and increase domestic and export sales by at least twenty (20) percent ❑ At least sixty (60) dairy producers begin selling milk directly to small processors and increase household incomes by at least thirty (30) percent; 	<ul style="list-style-type: none"> • Strong partnership with the USAID mission funded agribusiness support program has been developed. • A strong local partner organization in Enterprise Management and Innovation (EM&I) has been identified.
<p><i>Job Creation</i></p> <ul style="list-style-type: none"> ❑ More than seventy-five (75) employment opportunities will be created through the combined impacts listed above. 	

4. MALAWI

Results Planned:	Progress:
<p><i>Sustainable Increases in Agricultural Income on Per Capita Base</i></p> <ul style="list-style-type: none"> ❑ Productivity improvements on at least three (3) larger-scale dairy farms generates a ten (10) percent increase in profit margins on raw milk sales ❑ At least four (4) dairy processors introduce new products/packaging into the local market ❑ Participating processors, at least six (6), improve operating capacities and cost management leading to fifteen (15) percent increases in year-end profit margins ❑ Improved member services increases membership and income to a break-even level of at least three (3) producer organizations. 	<ul style="list-style-type: none"> • Program is in the start up phase of its first year of operations. The existing Land O'Lakes International Development Division office in Malawi is providing support for the program and volunteers have already completed the first assignments with dairy processors.
<p><i>Health/Nutrition Improvement</i></p> <ul style="list-style-type: none"> ❑ Nutritional outreach campaigns and support to women, children and orphans is undertaken by at least two (2) industry associations. 	

VOLUNTEER NUMBERS

As of September 30, 2002 a total of 37 assignments have been completed during year VI of the program. Please refer to the table below for the country specific numbers.

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Country	Total Year I - V Planned Completed		Year VI Planned Completed		Program 7 Year Total Planned Completed		Year VI Remaining
Mexico	60	60	10	9	80	69	11
Jamaica/ Windward Islands	75	71	20	14	115	91	24
Philippines	75	51	0	0	75	51	0
West Bank	0	12	0	0	0	12	0
South Africa/ Malawi	0	15	18	13	36	28	23
Non-core	21	20	3	1	26	21	5
Total	231	229	51	37	332	272	63

RECRUITING

This year the program has expanded activities into new areas. We have begun working with a new US partner organization, the Federation of Southern Cooperatives, in identifying volunteers for Africa and the Caribbean. We have also expanded activities in these areas, opening a new office in South Africa this year and sending volunteers to new islands in the Caribbean. This has contributed to lower than expected numbers. We are on target to achieve these numbers for the final year of the current agreement.

CORE COUNTRY UPDATES

- Mexico

Capacity building at DANA in Chiapas continues to advance. They have hired a new staff member with a background in agronomy and organic certification. This was done to expand their capacity into these areas. DANA has an established methodology for program implementation. They work with local, national, and international buyers to establish a market for the production of their clients, rural Mayan communities. They then utilize both internal and local expertise. DANA works to identify supporting funds and match from donors locally where needed. To this they add Farmer to Farmer consultants to add international expertise.

The overall goal of DANA is empowerment of rural Mayan communities. They do this by developing markets for organically produced agricultural products. This serves two purposes. It provides producers with an incentive to continue their organic production, which is more in line with traditional production methods in the communities. It also empowers communities by increasing farm-based income.

Asesoría Técnica en Cultivos Orgánicos, Farmer to Farmer partner organization in Tabasco, has expanded their activities in a variety of areas. Due to an increased demand for locally produced, organic chocolate and desires from the indigenous communities to diversify their production portfolio, ATCO has been forced to meet these demands. Sales of chocolate have been facilitated through an organic distributor in Mexico City and also have been distributed internationally by ATCO. An aggressive approach to sales has resulted in dramatic increases for the indigenous communities where the chocolate is being made. Through these sales, ATCO has assisted the women chocolate producers in empowering themselves as viable and valuable entities within the community. A major concern of ATCO is the role of the women in the local communities. Their continued goal is to assist in strengthening the role of women and improve the living conditions of women and children. The Farmer to Farmer program will continue to assist ATCO in achieving this goal through volunteer technical assistance in the areas of cacao production, chocolate production and marketing, sanitation and health issues.

Diversification in the areas of production has become a new focus area for ATCO and the Farmer to Farmer program in Tabasco. In order to secure profits for the communities, activities have moved towards fruit, flower and sugar cane production. Farmer to Farmer volunteers have assisted in these areas and will continue to help with diversified and value-added products.

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	<i>Planned Volunteer Distribution:</i>	<i>Actual to Date</i>
Direct Marketing	3	2
Agricultural Association Development	2	2
Strengthening Indigenous Communities	1	3
Environmental Protection	2	1
NGO strengthening	<u>2</u>	<u>1</u>
TOTAL	10	9

- Caribbean, Jamaica/Windward Islands

With the additional work in the Windward Islands and more intensive requirements for information gathering related to assignment impact, the program is in the process of hiring an additional staff person in Kingston. This will allow the program to better meet the needs of clients on multiple islands in the region.

Response in the Windward Islands has been strong to the program. The Organization of Eastern Caribbean States (OECS) and Land O' Lakes signed a memorandum of understanding to collaborate on activities in the Windward Islands. This collaboration fits well with the work OECS is doing implementing a USAID funded small and medium sized enterprise development program in the Windward Islands. Six assignments were developed during the start up phase. Of these, two have been fielded. The initial reaction of host organizations has been positive.

Jamaica

Planned Assignment Distribution:	Actual to Date	
Marketing	3	4* (P. Bell-1, D. Stitt-1, H. Valenzuela, P. Bell-2, L. Aines)
Alternative Crops	3	3* (D. Stitt1, D.Stitt-2, J. Juliano)
Environmental Protection	3	3* (B. Nelson1, B. Nelson-2, S. Bushman)
Women's Leadership	3	3* (D. Stitt2, B. Nelson-1, P. Bell-2)
Youth in Agriculture	1	1* (P. Bell-1)
Institutional Strengthening	3	1 (Peter Skaalen)
Other	<u>1</u>	<u>1</u> (Sue Coby)
TOTAL	17	16

Note: Due to the nature of the project, focus areas overlap. These numbers represent 12 completed assignments out of 15 assignments anticipated for the year. Overlap is indicated by * and volunteers are listed next to distribution.

Windward Islands

Planned Assignment Distribution:	Actual to Date	
Premium Access to Markets	2	1 (J. Cancelarich)
Alternative Crops	2	1 (C. Summerall)
Environmental Protection	<u>1</u>	<u>0</u>
	5	2

- South Africa

The South Africa Program is working in conjunction with another program Land O'Lakes is implementing. This program provides grants of processing and other equipment, funded through the USAID Mission Agrilink II program implemented by Enterprise Management and Innovation (EM&I), a South African Company. This grant will be used to purchase equipment to assist the emerging livestock sector access the existing commercial market. Farmer to Farmer is one part of the program and responsible for identifying emerging agribusinesses with the capacity to take advantage of the Agrilink II program. Farmer to Farmer volunteers assist in developing the business skills of the agribusinesses identified. EM&I provide marketing assistance through the Agrilink II program. Volunteers have been fielded to develop the business skills of candidate organizations. As the program has been operating less than a year, it is early for impact assessment on these projects. Impact on South Africa will be reported on during the next reporting session.

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	<i>Planned Volunteer Distribution:</i>	<i>Actual to Date</i>
Developing Market linkages	6	1
Processing	5	0
Association Development	2	6
Institutional Strengthening	<u>1</u>	<u>5</u>
TOTAL	14	12

- Malawi

Operations in Malawi are in support of our ongoing Dairy Development program. Volunteers are placed strategically by our office. Assignments are designed to take advantage of contacts developed through the existing program in order to benefit both programs. Fewer assignments able to deliver the type of impact Farmer to Farmer is looking for were identified during the past year. For this reason, these assignments have been rolled forward into next year to better fit with ongoing program activities in Malawi.

	<i>Planned Volunteer Distribution:</i>	<i>Actual to Date</i>
Dairy Production	1	1
Processing	2	0
Association Development	<u>1</u>	<u>0</u>
TOTAL	4	1

- Non-Core assignments

1 non-core assignment was conducted in Guinea. This assignment was done in support of an existing Land O'Lakes market development program in Guinea. The remaining 2 non-core assignments have been moved into the next fiscal year. Work has been done to set assignments up in line with an ongoing school-feeding program in South East Asia, where there is a need for assistance developing the dairy industry. The details of these assignments are reported in the work plan for year VII.

Federation of Southern Cooperatives

Accounting training was conducted at the Federation of Southern Cooperatives offices this year. Land O'Lakes staff traveled to Atlanta and worked with Federation staff on accounting methods for clear fiscal communication on the program.

Land O'Lakes and the Federation of Southern Cooperatives are working to develop a smooth linkage between our organizations. Eight scopes of work from Africa and the Caribbean were forwarded to the Federation of Southern Cooperatives for recruiting during this year, as specified in our agreement. Unfortunately, many of these assignments were in areas that the Federation of Southern Cooperatives did not have existing contacts. After reviewing their core competencies with FSC, 5 of the assignments were returned to Land O'Lakes. We are working with our field offices to target scope of work development in those areas that FSC has identified as areas where they have strengths. A system of review has been established now for FSC to evaluate assignments and provide Land O'Lakes with feed back on their ability to recruit individual assignments. We believe these measures will improve our ability to access minority consultants through FSC.

Monitoring and Evaluation

Impact information from the core countries of Mexico and Jamaica are included in this report. In addition, an assessment of the results of the program working in East Africa with existing Land O'Lakes programs has been conducted and is included. Land O'Lakes is very pleased with the results we have received from this model. Work in South Africa is progressing well, but began less than a year ago. Therefore this work will be reported on during the next semiannual report.

WORLDWIDE FARMER-TO-FARMER/UGANDA IMPACT

Sunshine Dairies Limited, Kampala, Uganda

Technical Assistance Assignment Status

FTF Volunteer	Assignment Type	Dates of Assignment
William Coolen	Ice Cream Production and Sales	June 20 th to July 20 th 2001



Farmer to Farmer volunteer William Coolen (center) with Sunshine Dairies Plant Managers, Joseph and Dennis.



Sunshine Dairies Limited facilities in Kampala, Uganda. Pictured are raw milk receiving clarification and separator silos.

<p>PROFILE</p> <p>Sunshine Dairy Plant in Kampala is an agribusiness processing facility that was established in January 2001. The owners began dairy processing in 1997 and opened the Sunshine Dairies facility in 2001. It is a well-equipped plant with all the necessary equipment and facilities for processing pasteurized drinking milk, set and stirred yogurts, ice cream, spray dried milk powder, and fruit juices. The plant was taken over by commercial investors under a lease in 2001 from the Ugandan government.</p> <p>The dairy plant was idle and not operating previous to being taken over by commercial investors. Sunshine went into commercial production in August 2001 and began producing ice cream in a variety of flavors. Packaging was done in 120-ml plastic cups and in 1-liter plastic boxes. Ongoing technical assistance in product development, quality processing and marketing has been provided by Land O' Lakes as well as by USAID-funded ACIDI/VOCA volunteers.</p> <p>FARMER TO FARMER TECHNICAL ASSISTANCE</p> <p>The main objective for Sunshine Dairies is to achieve production of premium quality ice cream at low cost, given that the cost of imported ingredients are high but the raw materials are available in large quantities in Uganda. A longer-term goal is that Sunshine Dairies will be able to command the market for premium quality ice cream at affordable prices to the consumers.</p> <p>As a result of Land O' Lakes FTF volunteer Wayne Coolen's intervention at the Sunshine plant, there has been a progressive and steady increase in the volume of ice cream produced and sold.</p> <p>SPECIFIC IMPACT/ACCOMPLISHMENTS</p> <p>From July 2001, when the plant lay idle and had no production, to March 2002, the production rate grew to 4,511.00 litres of ice cream per month. Daily production has steadily increased with 55.25 litres/day in August 2001 to 187.96 in March 2002.</p> <p>Since production under the new commercial investor commenced, 19 jobs have been created in Sunshine Dairies.</p> <p>Ice cream production was tested with consumers and produced in three flavors: vanilla, strawberry and chocolate. The importance of quality and stability of the product was stressed by the volunteer. The capacity of the ice cream plant is in one shift – 400-kg mix. It is for this reason that many flavors are not introduced.</p> <p>Sales commenced and the product was packaged in 4 litre plastic containers, complete with attractive new labels. Ingredients and flavors were imported previously from the USA by the FTF volunteer. Mixes for Softice equipment were tested in fast food equipment and the product replaced imported mixes from</p>	<ul style="list-style-type: none"> ✓ Progressive and steady increase in volume of ice cream produced and sold. ✓ Production went from zero to 1,326 litres/month July-August 2001. ✓ Daily production of ice cream in March 2002 was 187.96 litres/day (increase was more than triple). ✓ 19 jobs created since August 2001. ✓ Prices are
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<p>South Africa and Belgium. Prices of the ice cream are quite competitive with other imports, since the imported goods carry high taxes and transport fees.</p> <p>The income generated from the ice cream sales has permitted the owner to contemplate whether to bring other parts of the plant into production. Land O' Lakes is assisting the plant to develop additional new products. As these new products are introduced, the volume of milk processed will increase, and will further increase the plan capacity utilization.</p>	<p>competitive in the market.</p> <p>✓ New products to be introduced in the future.</p>
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WORLDWIDE FARMER-TO-FARMER/KENYA IMPACT

Cooperative Resources International Limited (CRI), Thika, Kenya

Technical Assistance Assignment Status		
FTF Volunteer	Assignment Type	Dates of Assignment
Tom Dobler	Breeding and Dairy Genetics	July 19 th to August 7 th 2001

PROFILE

Cooperative Resources International (K) Limited (CRI) was established in 2000 and at the time of the project, employed 7 (seven) technical staff. CRI provides services to all regions of Kenya. The specific needs of CRI for the technical assistance by Land O' Lakes include training of staff in sales, training client farmers in nutrition and breeding, and training technicians in entrepreneurship.

Before the Land O' Lakes technical assistance project, there was inadequate knowledge in understanding the advantages of genetics by both farmers and technicians. Unpredictable climate conditions have led to inadequate fodder that is further negatively impacted by insufficient knowledge of fodder conservation, feeding and general management. Among the staff there is inadequate professional sales knowledge.

The immediate goals of CRI are to achieve and maintain 40% of the Kenyan Market share in imported cattle genetics. The long-term goal is for CRI to grow and become the leading private genetic company in Kenya by the year 2005. It is through assistance from projects like Land O' Lakes that CRI hopes to meet these goals.

FARMER TO FARMER TECHNICAL ASSISTANCE

The scope of work for the technical assistance assignment with Land O' Lakes was to

- Work with 5 reference farmers to develop individual feeding programs for them and to assist set breeding goals (1 day each)
- Train CRI staff in genetics and salesmanship
- Address key commercial dairy farmers seminar
- Conduct two seminars for A.I. (artificial insemination) technicians

The first farmers' field day took place at Njambini, South Kinangop and included an attendance of 143 individuals. Topics covered included dairy nutrition, establishment and use of fodder, lucerne planting, silage making, cow comfort and breeding techniques. Of the 5 farms visited (out of a total of 5), lucerne planting increased by 2.5 acres, silage making increased by 9 acres, milk production improved by 206 kg per day, a Boma (cow shed) was constructed (1 Boma = KShs 40,000). Other benefits gained on farms visited that are not quantified include improved growth rates for calves.

✓ Farmers and technicians have inadequate knowledge and training in genetics

✓ Lucerne planting & silage making increased significantly, and milk production improved

✓ A new Boma (cow shed) constructed

<p>The second activity in the assignment included a meeting in Ngong of 14 participants with a zero-grazing farm (feeding only). Similar topics were covered during this visit as in the first event and resulted in adopting over 60% of the recommendations by the FTF volunteer. Sixteen (16) farmers adopted Lucerne growing for a total of 30 acres; 18 farmers adopted maize silage (18 acres total) and the labor savings by silage was an average of 2 farm workers per day (total of 9504 days).</p> <p>The third activity that took place during the assignment was a meeting with CRI(K) Limited staff at Thika and included a summary of experiences with the groups involved in the program. Total attendance was 5. Topics involved promotion of teamwork and territory planning.</p> <p>There was noted improvement in customer confidence in use of CRI semen up to 35% from 700 straws per month to 1000 straws (increase of 300 straws). There was a noted reduction in operating costs resulting from territory planning up to 60% from KShs 600,000 per month to KShs 240,000 (total of KShs 360,000).</p> <p>Other impacts of the activity include less fatigue in territory coverage. There was inconsistent supply of semen and it is possible that sales could have been higher than the actual amount reached. Further, it can be assumed that other semen suppliers also benefited indirectly through this project.</p>	<ul style="list-style-type: none"> ✓ Improved growth rates for calves ✓ Large group of farmers adopted Lucerne growing technique (16 farmers) ✓ 18 farmers adopted maize silage (18 acres total) ✓ Significant reduction in operating costs ✓ Customer confidence increased ✓ Project has indirect benefits to other suppliers
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WORLDWIDE FARMER-TO-FARMER/KENYA & UGANDA IMPACT

Brookside Dairy, Kenya

Technical Assistance Assignment Status		
FTF Volunteer	Assignment Type	Dates of Assignment
Fonger Smits	Dairy Processing	August 3 rd to August 25 th , 2001

PROFILE

The dairy industry in Kenya is a promising sector and existing problems in the sector, are very much alike in all countries in the region. In the past, the focus of many projects has been on milk production and assisting the farmers, and processors have been neglected. Now when the national cooperative factories are being privatized or collapsed, projects including Land O' Lakes' have to change their focus, if they want the dairy sector to develop and create a sustainable future for the dairy farmers and dairy industry in East Africa.

The single major condition affecting the dairy processing industry is economic liberalization and the challenge of remaining competitive in the market. The processing industries' single largest competitor is the informal market. They handle 80% of the marketed milk and sell to the consumer at a dramatically lower price compared to the formal processors. One liter of informal milk retails at approximately US 46 cents while pasteurized and packaged milk retails at about US 72 cents.

The Land O' Lakes program in Kenya showed the importance of technical assistance in this sector, in identifying which areas need assistance or have not been developed. Developing the sector is not an easy task, and requires good planning, time for development, and establishing the market as a determining force.

OBJECTIVES

This technical assistance program consisted of several medium and large micro-enterprise processors including: Brookside Dairy, Spin Knit Limited, Tetra Pak Limited, Eldoville Limited, Meru Cooperative, Hermes Dairies. The two large dairies include Brookside and Spin Knit. The leading packaging supplier is Tetra Pak.

The specific needs of these organizations is to find ways to reduce the differences between the consumer price of formal and informal milk, so that more consumers perceive value in buying packaged milk. It is thought that by analyzing their supply and demand chain, it would reveal areas of inefficiency

✓ Remaining competitive in the dairy industry is major challenge.

✓ Organizations want to reduce differences between consumer price of formal & informal milk.

<p>and opportunities to lower costs.</p> <p>The organizations' immediate goal is to identify if there are any areas where inefficiencies can be reduced and, where possible, identify quick wins; a quick win being any intervention that is inexpensive and can be applied in a short period of time. A long-term goal remains to grow the market share of processed milk and other dairy products' profitability.</p> <p>The main objective for this assignment was to identify the areas in the dairy sector that need assistance or have not yet been developed. By developing these areas, a positive influence will be made on the dairy sector – from the farmer, to the processor, and to the customer.</p> <p>The scope of work for the project in Kenya was to: identify inefficiencies with the processors and use hands-on training where possible; gather information about the informal market and the impact on the processors; understand the (high) price difference between farm and retail packed milk; provide a thorough analysis of each processor visited; determine key changes that will decrease inefficiencies.</p> <p>In Uganda, the main scope of work included: improve milk testing techniques; assess current product technology and improve it without increasing costs; improve hygiene standards/quality control; develop new products.</p> <p>FARMER TO FARMER TECHNICAL ASSISTANCE</p> <p>Brookside Dairy in Ruiru, Kenya is a privately owned company and the largest growing Dairy plant in the country. It has an installed capacity of 200,000 litres per day and utilizes 150,000 litres. They mainly process five types of milk, whole, semi-skimmed UHT and flavored milk. Other dairy products include butter and yogurt; all except the butter products are packaged using Tetra Pak technology and packaging materials. It is efficiently managed and always looking for new products and improvements. The current growth of this company is taking over the smaller processors. Improvements include replacing local milk-pipes used by trucks for milk collection with a stronger, more durable and hygienic type. The local pipes currently used crack easily and are harder to clean.</p> <p>Spin Knit Limited in Nairobi, Kenya has 150,000 litres a day of installed capacity and utilizes 100,000 litres. They process semi-skimmed, UHT and flavored milk and some yogurts. Spin Knit also utilizes Tetra Pak technology and materials.</p> <p>Hermes Cottage Dairy Industry, another micro-enterprise pasteurizes milk using rudimentary technology. Hermes Dairies has about 1,000 litres of installed capacity of which most is utilized. This is a good example of how milk can be processed and sold for cheaper prices in hard to reach areas. Hermes is a small-scale processor, and commenced marketing of their yogurt product to consumers.</p>	<ul style="list-style-type: none"> ✓ Local brand of milk-pipes replaced with more durable and hygienic type. ✓ Launch of new branded products by Spin Knit Dairy Ltd., i.e., Tuzo & Lea and flavored milks. ✓ Hermes Dairy commenced marketing of yogurt product.
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WORLDWIDE FARMER-TO-FARMER/JAMAICA IMPACT

Beekeeping Industry, Various Sites, Jamaica

Technical Assistance Assignment Status		
FTF Volunteer	Assignment Type	Dates of Assignment
Roger Hoopingarner	Honey production, marketing and organizational strengthening	October 12 th to October 26 th , 2000
Wally Deinhalt	Honey Bottling Plant Start-up	January 8 th to January 20 th , 2001
Roger Hoopingarner	Beekeeping- specializing in Hive Management, Pest Extermination and Queen Rearing	April 22 nd to May 6 th , 2001



A road where farm gate
honey is sold



Jamaican flower popular with bees

JAMAICA BEEKEEPING INDUSTRY

The Beekeeping Industry is vital to the agricultural sector of Jamaica for the very simple reason of pollination. It has also been a traditional economic livelihood of many small farmers in Jamaica. Many countries have realized how important pollination is to agricultural production and have subsequently made significant investments in beekeeping. Farmers in the United States pay beekeepers to maintain hives in their croplands.

Jamaica's apiculture industry has an estimated 1,260-registered bee farmers operating apiaries ranging in size from 5 to 400 colonies. This is broken down as follows:

- a) 5 to 30 Colonies - 35%
- b) 31 to 100 Colonies - 60%
- c) > 100 Colonies - 5%

On average, a beekeeper owns 45 colonies. The annual production of honey in Jamaica is estimated at 1,000,000kg. The island is well suited for beekeeping because of the abundance of natural vegetation island-wide including vast areas of fruit trees and logwood as well as the tropical climate in which bees thrive. The average yield per colony is 24kg.

The All Island Bee Farmers Association has identified the following as problems that negatively affect honey production:

- Fragmentation of farmers and no organized system of collecting and marketing honey
- Inability to participate in the international trade due to the stringent quality requirements particularly of the European and North American markets and high local process for honey
- Pests and diseases, specifically the Varroa mites and American Foul Brood (AFB) leading to significant loss of colonies
- Inadequate extension officers to assist farmer
- Low production of honey due to lack of interest especially among young farmers.

Two obstacles in the growth of the beekeeping industry were addressed through the Farmer-to-Farmer Project: expanding markets and the Varroa mite. Presently, the majority of Jamaican honey is sold domestically in the supermarkets, roadsides, or the farm gate. Additional markets are necessary in order to facilitate the growth of the industry. The industry has been plagued by the Varroa mite which has had a devastating effect on the bee colonies across the island. The Varroa mite, *Varroa jacobsonii*, is an external parasite of honey bees. It feeds on the hemolymph of both brood and adult bees. The entire life cycle of these mites is spent with the bees. Combating the Varroa mite is a very difficult task as there is no easy solution for beekeepers in the Tropics.

✓ Mr. Deinhalt designed a honey bottling plant

Three assignments were conducted to assist the beekeeping industry. Wally Deinhalt has a family owned value honey business that is one of the premier value-added honey businesses in the United States. Along with a local architect, Mr. Deinhalt designed a honey bottling plant, which would give the All Island Bee Farmers the capacity to expand their markets. Dr. Roger Hoopingarner conducted two assignments, first with the Portland Beekeeping Association and second with the St. Catherine Beekeepers Association. A third assignment to address the Varroa mite and foul brood (a most recent disease caused by a bacterium called Paenibacillus larvae) has been conducted, but impact is not expected at this point in time.

PROFILE

All Island Beefarmers Association (AIFBA)- Ewarton, St. Catherine

The All Island Bee Farmers Association (AIBFA) was formed in the early 1940's but became defunct after a period of time. It was revitalized from the Beekeeping Development Project that started in 1985. This association consists of twelve Parish associations called Parish Bee Farmers Associations (PBFA). Farmers in the various parishes are registered by the PBFA and are therefore registered members of the AIBFA. The AIBFA is managed by an executive body that is made up of a President, three Vice Presidents, a Secretary, a Treasurer, one Delegate from each Parish and a Representative from the beekeeping unit of the Ministry of Agriculture.

The main activities of the association are:

- Encourage production and cooperative marketing
- Strengthen the apiculture extension by training farmers
- Coordinate bee keeping programs
- Supply equipment and materials
- Meet regularly with the Beekeeping Unit of the Ministry of Agriculture to discuss ways of improving the beekeeping industry.

FARMER TO FARMER TECHNICAL ASSISTANCE

A consultant with expertise in establishing honey-bottling plant was requested. The specific volunteer objectives included:

- Design the layout of the bottling plant
- Advise on what equipment is needed
- Advise on equipment prices
- Advise on cost efficient procedure to acquire equipment.

Mr. Wally Diehnelt, of the Honeyacres business located in Ashippun, Wisconsin, conducted a volunteer assignment from January 8th to January 20th, 2001.

<p>SPECIFIC IMPACT/ACCOMPLISHMENTS</p> <p>Mr. Diehnelt worked alongside a local Jamaican architect to design a honey-bottling facility with proper design and efficient organizational infrastructure flow, which had the potential to allow for significant expansion. Recommendations were also submitted on machinery.</p> <p>The Agricultural Services Support Program (ASSP) decided to fund the AIBFA's endeavors to increase honey production through the expansion of marketing capacity. This funding has included: construction of a 1,590 sq. ft. HACCP certified building to be used as a collection, storage, bottling and labeling facility as well as other activities, such as acquisition of honey bottling equipment and acquisition of a 4-ton truck to pick up bulk honey and distribute finished products. This component of the project is valued at \$14,128,861.00 J (\$30,614.00 US).</p> <p>This facility will absorb 50% of honey produced by farmers in Jamaica by year five of the project. This will be bottled, labeled, packaged, and sold in both the local and export markets. In year one, 30% (300,000 kg) of the total annual production of the honey produced in Jamaica will be bottled and sold at this establishment. This will increase to 35% in year two, 40% in year three, 45% in year four, and 50% in year five. Table honey will be sold to supermarkets, shops, pharmacies and other outlets. A well known agroprocessor, Walkerswood, is committed to assisting small farmers and will purchase 36,000 units of 450 gram bottles per month or 65% of the total volume per year to export in the ethnic food market overseas.</p> <p>PROFILE</p> <p><i>Portland Beefarmers Association- Port Antonio, Portland</i></p> <p>The PBFA is a branch of the All-Island Beefarmers Association and was established in 1989 with six members. It has since grown into a large and vibrant organization with 120 members.</p> <p>The mandate of PBFA is to promote and encourage all aspects of bee farming in Portland. The association holds well-attended monthly meetings in which they provide a forum for on-going education in bee farming through the exchange of ideas and information among the members and with invited guest speakers. They discuss marketing strategies for the honey, the production of other bee products such as wax, honey vinegar and propolis, the planting of suitable trees and bee forage and the techniques of bee farming. All members share the same view to increase efficiency and productivity.</p> <p>In 1997, the PBFA was given a grant by the Canadian Green Fund to set up a revolving loan scheme, called Portland BEE (Beekeeping Expansion Enterprise), to provide equipment at cost to the members. Farmers have up to three years to repay the loan in either cash or honey. They provide bee boxes, bees, and queens as well as extractors, queen excluders, hive tools, wire for frames, uncapping knives and many other types of equipment. They also sell equipment island-wide at very reasonable prices. This program has enabled many young farmers to start out in</p>	<p>✓ Honey Bottling Plant Design completed. Members educated on design and bottling flow.</p> <p>✓ Bottling Plant funded. Plant Design utilized in leveraging funds. Funding of \$30,614</p> <p>✓ Expected output of 450,000 kg by year five marketed through bottling plant.</p>
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<p>beekeeping and has helped experienced farmers expand their operations and production.</p> <p>The Portland Beefarmers Association has also embarked on a new project, Portland H.O.N.E.Y. (Helping Our Neighbors Expand Yield), to be funded by Eastern Jamaica Agricultural Support Program (EJASP).</p> <p>This program has three components:</p> <ul style="list-style-type: none"> • boxes, bees and queens, to be sold to the members at 25% of cost • a farmer-to-farmer training program • a queen-rearing project. <p>They identified a skilled and successful bee farmer to run the queen rearing project as a business. This component is regarded as central to the entire project. When farmers re-queen their colonies at least every two years, honey production is vastly increased. And with the confirmed presence of the Varroa mite, the availability of high quality queens is essential.</p> <p>FARMER TO FARMER TECHNICAL ASSISTANCE</p> <p>A consultant with expertise in honey production, marketing and association strengthening was requested and Mr. Roger Hoopingarner from Holt, Michigan visited Portland from October 12th to the 26th, 2000. Dr. Hoopingarner received his Ph.D. in entomology from the University of Wisconsin with specialized interests in apiculture and pollination.</p> <p>Particular concern from the group centered around the pressing concern of the Varroa mite, an external parasite, which threatened hives throughout the parish and island.</p> <p>Dr. Hoopingarner visited approximately 15 different apiaries in the parishes of St. Mary and Portland and found the farmers to be resourceful and dedicated.</p> <p>SPECIFIC IMPACT/ACCOMPLISHMENTS</p> <p>According to the host, the greatest impact was the recommendation for the selection of gentler bees to be utilized in their Queen Rearing Station, which was funded by the European Union. Such selection would free up time to expand the number and size of colonies, time which is currently being spent managing aggressive hives.</p> <p>The Queen Rearing Station has sold approximately 302 Queens since the inception of the project. More have been produced but have been lost in the process. Reports from farmers in the field have been positive, so far. Under the Eastern Jamaica Agriculture Support Project, the first 240 Queens sold for 25% of the full price that amounts to \$75J Dollars (\$1.56 US).</p> <p>An additional 40 Queens have been sold with Bees to Bee Farmers. There is one</p>	<p>✓ Gentler bee selection for greater production</p> <p>✓ 342 Queens sold to Bee Farmers since inception of the rearing program.</p> <p>✓ Seven Resource Beekeepers Trained to work with 120 Members</p> <p>✓ 25 Bee Farmers trained in hive management</p>
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<p>employed manager at the facility and four additionally trained individuals who could execute the managerial position, if needed.</p> <p>Dr. Hoopingarner further assisted the association through the measurable impact of:</p> <ul style="list-style-type: none"> • Training of seven resource beekeepers • Conducting three workshops on hive management with a cumulative attendance of 25 people • 12 individual technical consultative visits to beekeepers within the association. <p>PROFILE</p> <p><i>St. Catherine Beekeepers Association- Linstead, St. Catherine</i></p> <p>The St. Catherine Beekeepers Association has been in existence since the 1980s. The association received revitalization through the island-wide European Union Bee Development Project from 1990 until 1999. At that point when funding stopped, development and training also ceased.</p> <p>The Association was able to continue its wooden hive box construction. Organizationally, they also assisted with combs and marketing. However, their extension service was very limited due to lack of funds. The St. Catherine Beekeepers Association supported the development of the All Island Bee Farmers Association with the hopes of registering as a co-op, receiving a donated bottling plant from the government, and providing ongoing training and island-wide assistance to the members.</p> <p>FARMER-TO-FARMER TECHNICAL ASSISTANCE</p> <p>A specialist in Bee Keeping with an emphasis in hive management, queen rearing, and Varroa mite extermination was requested. Dr. Roger Hoopingarner once again answered the call to provide technical consultation to the beekeeping industry in Jamaica from April 22nd to May 8th, 2001.</p> <p>SPECIFIC IMPACT/ACCOMPLISHMENTS</p> <p>Seminars were held in two separate locations comprising of a total of forty attendees. The seminars included 1) Beekeeping Management, 2) Disease and Pest Control with emphasis on the Varroa mite, and 3) Colony Selection and Queen Rearing. Several apiaries were visited and consultations took place with individual beekeepers. The Colony Selection and Queen Rearing methodologies are being utilized in the current establishment of two sterile queen nurseries being funded by the Agricultural Services Support Program. These queen nurseries are designed to provide queens with preferable traits for productive beekeeping for beekeepers island-wide.</p>	<p>✓ 12 individual received first hand consultation at their aviaries.</p>
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**WORLDWIDE FARMER-TO-FARMER/JAMAICA
IMPACT**

HACCP Compliance Training- Bull Savannah, St. Elizabeth, & Port Morant, St. Thomas, Jamaica

Technical Assistance Assignment Status		
FTF Volunteer	Assignment Type	Dates of Assignment
Dan Adams	HACCP Training	September 17 th to September 30 th , 2000
Kendra Kauppi	HACCP Training	August 4 th to August 22 nd 2001



Above: Ackee fruit growing on the tree. In order to avoid toxicity, pods must open while on the tree.

Right: Port Morant Food Processing Plant.



<p>HACCP HISTORY AND SIGNIFICANCE TO JAMAICAN PROCESSORS</p> <p>HACCP is currently regarded as the best system available for designing programs for food firms to produce food safe products. The Hazard Analysis and Critical Control Point (HACCP) System “is a management system in which food safety is addressed through the analysis and control of biological, chemical and physical hazards from raw material production, procurement and handling, to manufacturing, distribution and consumption of the finished product.” HACCP is based from a process developed over thirty years ago to assist astronauts in preventing food-borne illnesses. Prior to this establishment of a formal preventative system, industry and regulators had to depend on spot-checks and random sampling from production lines. HACCP was created to ensure proper food handling and preparation as well as to provide a framework for proper implementation.</p> <p>Seven principles to HACCP are listed as follows:</p> <ol style="list-style-type: none"> 1) Analyze hazards 2) Identify critical control points 3) Establish preventative measures with critical limits for each control point 4) Establish procedures to monitor the critical control points 5) Establish corrective actions to be taken when monitoring shows that a critical limit has not been met 6) Establish procedures to verify that the system is working properly 7) Establish effective record keeping to document the HACCP system. <p>From an international perspective, the Codex Alimentarius Commission adopted HACCP and the standards it enacts as a core set of requirements for high standards of imported foods and food products. Moreover, these principles have been widely accepted by government agencies, trade associations, and the food industry worldwide.</p> <p>As referenced in the HACCP link on the FDA website, there are several advantages this system can offer. Those advantages relevant to the international sphere include:</p> <ul style="list-style-type: none"> • Basis is on sound science • Permits more efficient and effective government oversight, primarily because the record keeping allows investigators to see how well a firm is complying with food safety laws over a period rather than how well it is doing on any given day • Places responsibility for ensuring food safety appropriately on the food manufacturer or distributor • Helps food companies compete more effectively in the world market • Reduces barriers to international trade. 	<p>✓ HACCP is regarded as the best system available.</p> <p>✓ The HACCP process is accepted worldwide.</p>
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ACKEE BACKGROUND



Ackee (*blighia sapida*) is the national fruit of Jamaica (native of West Africa) and a popular food item among Jamaicans. Ackee in the fresh, canned or frozen form is the basis of a growing export market. Cooked ripe ackee fruits are nontoxic and have been a Jamaican dietary staple for hundreds of years. Ackee contains hypoglycin, which is the causative agents of Jamaican Vomiting Sickness that can subsequently lead to death. Ackee toxicity is associated with the method of preparation of the fruit and its ripeness. In 1973, the FDA placed an import ban on the ackees entering the United States. Since quarantine considerations preclude the importation of fresh fruit, the ban applied to canned or frozen ackee. Some illegal importation attempts continued after the ban.

Former Ambassador to Jamaica, Stan McLelland, worked hard to lift the import ban of ackees into the United States. However, before any agro-processor can be allowed to export ackees to the United States, they must implement an effective HACCP program that passes FDA inspection.

The ackee industry is a viable market for small farmers, middlemen and rural people of Jamaica. The majority of ackee processors cannot meet their demand and are committed to buying anywhere from one crate of ackee to 400 crates from farmers, middlemen and/or rural people. Efforts have been made by the Government of Jamaica to increase the number of ackee trees through the tree crop program.

Agro-processors market their canned ackee locally and in the overseas ethnic food market. It is estimated that one third of the Jamaican population lives abroad in the United States, London and Canada.

PROFILE

Southern Fruits and Food Processor (SFFP) – Bull Savannah, St. Elizabeth

Southern Fruits and Food Processors (SFFP) was established in 1989. Presently, the operations involve the processing of ackees, mango nectar, carrot juice and tomato ketchup. Southern Fruits & Food Processors has a management team of four members and a staff of approximately 50, the majority of which are women. Most of the raw materials are purchased locally except for tomato paste, which is purchased from USA. The company also does contract processing for clients under brand names, most of which are exported to the USA, Europe and Canada. SFFP provides a valuable market for farmers in five parishes as well as direct employment for 200 women. Indirect employment is also provided for another

✓ Ban to import ackee lifted by US Ambassador Stan McLelland.

✓ An estimated 1/3 of the Jamaican population lives abroad making the export of ackee a viable business.

<p>200 who are engaged in the procurement of raw materials from the farmers and supplying them to the factory.</p> <p>The processing plant has grown to have a favorable impact on the economic life of the population in surrounding parishes. The next logical step was for expansion to facilitate greater economic impact of those in the company and indirect beneficiaries. SFFP identified HACCP as a means of gaining access to US Markets for ackees and a means of better marketing their other products abroad.</p> <p>Obstacles to further development include</p> <ul style="list-style-type: none"> • Economic climate in Jamaica as well as the global market • High interest rates limit expansion • Raw material shortages and price fluctuations given weather, workforce, etc. • Lack of knowledge in HACCP planning and compliance. <p>FARMER TO FARMER TECHNICAL ASSISTANCE</p> <p>An international standards specialist for processing and training purposes was requested by SFFP with expertise in HACCP compliance. The main areas the volunteer was requested to work on were:</p> <ol style="list-style-type: none"> 1) Help in the development of a comprehensive marketing strategy to the export market including labeling, packaging and HACCP compliance 2) Training needed to ensure implementation of the plan. <p>With an extensive background as a senior executive with 19 years experience with various food companies, Mr. Daniel Adams from North Oaks, Minnesota conducted a visit to Bull Savannah from September 17 to 30, 2000. Mr. Adams' qualifications for this assignment were drawn from his work with research and development, quality assurance and regulatory systems in food technology.</p> <p>SPECIFIC IMPACT/ACCOMPLISHMENTS</p> <p>To help satisfy the requirements of SSOP's, Mr. Adams conducted a Good Manufacturing Practices audit of the plant buildings and grounds, noting the conditions of not only the buildings, but the equipment, grounds, and personal hygiene of plant workers as well. He also reviewed records critical to production of safe products. A detailed report was reviewed with and left with Ms. Donna Bromfield, Production Quality Control Manager. Mr. Adams also provided Southern Fruits and Food Processors with the outline of a good pest control program, detailed forms of a product hold program and a product recall program, all three of which are essential parts of the SSOPs. Mr. Adams developed flow diagrams for all four products produced at the plant, which is a critical component to HACCP certification.</p> <p>Recording/generation of records for HACCP began in September after a three month trial period. Additional documentation and infrastructure changes are needed before HACCP compliance is complete and ready for FDA inspection. The Production Manager states that HACCP is 80% complete.</p>	<p>✓ A Good Manufacturing Practices Audit was conducted.</p> <p>✓ Potential savings of \$19,318.50 annually due to improved production with HACCP compliance.</p>
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By engaging in the HACCP procedures, SFFP has found that their ackee crate (measurement by which ackees are sold) to finished product ratio has improved from 7.0 crates: 1 case to 6.5 crates: 1 case. One crate is purchased for an average of \$2.71 US dollars. This reduction in the ration leads to a reduction of \$1.35 per case of ackees or a potential saving of \$19,318.50 for a year's production (based on 2001 sales).

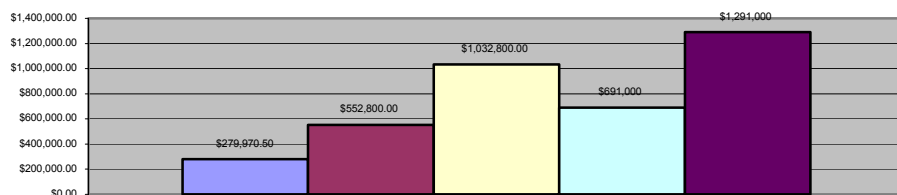
The US dollar earning potential per case of ackees is substantial with HACCP certification from the FDA. Without FDA approval, export to the US is not allowed. In 2001, SFFP produced 14,310 cases (24 cans to a case) of ackee at a cost of \$41.66 dollars per case. In that year, ackee cases sold for an average of US \$65 per case totaling an estimated profit of \$333,995.00. The number of cases produced was limited due to construction of infrastructure changes to facilitate HACCP compliance.

SFFP estimates that the processing facility will operate with a capacity ranging from 16,000 to 20,000 cases per year. This leads to an increased market for ackee farmers and small farmers in Jamaica. An estimated average increased capacity of 18,000 cases per year would result in an added market of 23,985 crates of ackee.

Without HACCP Compliance, SFFP cannot access US Markets for Ackees. SFFP estimates that depending of their marketing, they can obtain anywhere up to US \$120 per case of ackees in the United States. Given a constant cost of production SFFP could increase net profits based on amount produced and price:

✓ Production rate: 600 cases per week of ackee.

SFFP Potential Earnings with HACCP Compliance



This chart utilizes a constant cost of production \$45.45 US per case.

- Net Profit - 2001 Production 14,310 cases @ \$65 per case w/o HACCP
- Potential Net Profit - 16,000 cases per year @ \$80 per case w/HACCP
- Potential Net Profit - 16,000 cases per year @ \$110 per case w/HACCP
- Potential Net Profit - 20,000 cases per year @ \$80 per case w/HACCP
- Potential Net Profit - 20,000 cases per year @ \$110 per case w/HACCP

PROFILE

Port Morant Food Processors – Port Morant, St. Thomas

Mr. Wright is an entrepreneur who has started a business from scratch. Before getting into canned ackees, he became interested in natural oils. He began making natural oils in the Parish of Manchester and achieved a certain level of success when his 'leased' facility was sold and he was no longer entitled to the use of the

<p>property. He recovered his losses and began studying canning and agro-processing. Mr. Wright began purchasing used agro-processing equipment and made plans to start a business.</p> <p>He and his partners received a start-up loan from the Jamaican Government. After that, they started producing twenty cases of ackees. They were paid cash for the shipment and then utilized that cash to produce 40 crates. They now produce over 600 cases per week. The money made from the product is immediately put back into the bank so that the company can produce more crates. They have received an additional 'bridging loan' from the government and have taken out a loan for the five-ton truck from National Commercial Bank. Mr. Wright and one of his counterparts are certified "Better Processing School" by the FDA in "Thermal processing in the Food Industry."</p> <p>With the ban lifted on the export of ackee to the United States, a large market has opened and Port Morant Food Processors' intention for expansion included an increase in exportation. Therefore, it was necessary to gain training and consultation to comply with the HACCP standards.</p> <p>Obstacles facing the Organization include</p> <ul style="list-style-type: none"> • Lack of knowledge in HACCP compliance and implementation • Inactive quality control laboratory due to lack of education • Waste disposal issues with ackee shells • Infrastructure issues of ceiling and flooring of plant • Inclimate weather affecting the availability of ackee and other raw materials for processing. <p>FARMER TO FARMER TECHNICAL ASSISTANCE</p> <p>A specialist in Quality Control for Agro-processing, specifically canning, and HACCP compliance was requested by Port Morant Food Processors. Specifically identified organizational needs include:</p> <ol style="list-style-type: none"> 1) Review of previous recommendations for HACCP compliance and assistance with implementation planning 2) Assistance in designing and setting up the quality control laboratory including education of equipment and usage. <p>Kendra Kauppi, who holds a Ph.D. in Food Science from the University of Minnesota, traveled to Port Morant to address their HACCP needs and assist them with training in the HACCP compliance process from August 4th, 2001 to August 22nd, 2001.</p> <p>SPECIFIC IMPACT/ACCOMPLISHMENTS</p> <p>Dr. Kauppi conducted a weeklong workshop for seventeen individuals employed at the processing plant. The workshops covered Good Manufacturing Practices (GMP's), Standard Sanitation Operating Procedures (SSOP's) and the Hazard Analysis Critical Control Point (HACCP) system. Cumulatively, the sessions</p>	<p>✓ Sanitation program was developed through workshops.</p>
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<p>covered nineteen hours of classroom/lecture/hands-on instruction and activities.</p> <p>During the five-day workshop, a sanitation program (one of the pre-requisites for HACCP) was developed. Consultation with renovation contractors took place to ensure that the recommendations were followed for HACCP compliance.</p> <p>Port Morant is not 100% ready for FDA inspection. There are a few weaknesses in operations that need to be addressed before they are completely ready for FDA inspection and become HACCP compliant. Kendra Kauppi was able to give Port Morant a boost in the HACCP program and prepare them for the rest of their work. Port Morant has continued to work with a local firm Technological Solutions in preparing the HACCP Program.</p> <p>Due to efficiencies gained in becoming HACCP compliant, Port Morant Food Processors have increased their daily capacity from 100 cases of ackees per day to 150 cases of ackees per day. Port Morant state that they can market their ackees cases for \$115 US per case. This would lead to an additional income of \$57.50 per case. Increased capacity has the potential to increase the demand and market for ackees in Jamaica.</p> <p>Mr. Wright has an entrepreneurial spirit and sources ackees from deep rural Jamaica. He takes extra time and effort to source ackees and can practically source ackees year-round while other processors do not take such measures to source ackee.</p>	
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Bernard, Dane. T., "Hazard Analysis and Critical Control Point System: Use in Controlling Microbiological Hazards" Chapter 41, p. 740-743

Human and Ecological Risk Assessment Vol. 4, No.5 pp. 1175-1187 (1998)

"HACCP: A State-of-the-Art Approach to Food Safety" FDA Backgrounder, October 2001 via the worldwide web www.cfsan.fda.gov

Ackee image from:

www.Negriltoday.com/archives

WORLDWIDE FARMER-TO-FARMER/MEXICO IMPACT

Rio Florido Wheat Producers Association, Chiapas, Mexico

Technical Assistance Assignment Status		
FTF Volunteer	Assignment Type	Dates of Assignment
Tom Siebel	Wheat productions techniques (pre-plating and post harvest activities)	June 13 th to June 28 th , 2001 and October 30 th to November 13 th , 2001



Pictured Left: Benancio Cosechando, farmer from Huistan, Chiapas with the first harvest of organic wheat.

Pictured Right: Tom Siebel, FtF volunteer, examines wheat field with farmers.

Below: New Mexico organic wheat farmer with FtF volunteer, Tom Siebel, examining wheat field.



HISTORY OF WHEAT PRODUCTION in CHIAPAS

A specialist in the area of organic wheat production techniques, including pre-planting and post-harvest activities was sought out to advise in organic wheat marketing for the Comunidad Rio Florido in the municipality of Huixtan in Chiapas, Mexico. Rio Florido is a newly formed community production group interested in recuperating the lost knowledge of wheat production. The indigenous people of the highlands area of Chiapas began growing wheat as a cash crop and as a form of tribute during the time of Spanish colonization. The wheat was milled into flour in the numerous flourmills in San Cristobal de las Casas. Wheat growing lasted until approximately 30 or 40 years ago when it finally faded out with the advent of industrialized agriculture in other parts of the world, along with the advent of improved transportation that brought in inexpensive commercial wheat flour from other areas of Mexico and the world.

Wheat growing and all agriculture in the mountain villages of this area are still done entirely by hand, from soil tillage through harvest. Currently, only a very few people grow wheat for their own subsistence use in this area. There are very few, if any local flour mills remaining in use. The indigenous people here now grow some vegetables, and produce small amounts of livestock as well as log the forests for lumber for cash income. The latter, having negative ecological effects that exacerbate the effects of slash and burn agriculture. Population pressures, chemical fertilizers, and industrial pesticides are rapidly changing the agricultural, health and ecological panoramas of the area in an injurious way.

The need for technical assistance was in the area of organic wheat production and marketing. This includes all phases of pre-planting and post-harvest activities, organizational development assistance, and new market resources. Current conditions and challenges affecting the association include:

- low prices for agricultural products (few market options and market resources)
- variable and unpredictable climatic problems (drought and/or heavy rain)
- volatile political climate in the State of Chiapas (though the situation is slowly improving)
- highly motivated group with much dedication and potential.

The immediate goals of the association of farmers are to produce and sell one crop of organic wheat (buyer arranged), experiment with planting seasons, and recuperate knowledge and reintroduce a lost crop and increase family income. Medium term goals include expanding production and sales, obtaining a hulling machine and formalizing or joining an organization. In the future, the farmers want to bring economic benefits to marginalized communities that used to grow wheat, but as a result of reduced economic incentives, have lost much of the tradition and practice. Furthermore, the organization's other long term goals include fostering the cultivation of organic wheat varieties to be sold to specialty bakeries and used to make whole wheat breads, and increasing the diversity of agricultural production in rural communities where wheat production is a viable option.

<p>FARMER TO FARMER TECHNICAL ASSISTANCE</p> <p>Wheat was historically grown in the highlands of Chiapas, with a bustling processing industry of mills throughout the area. With the completion of a highway system into the area, wheat and flour from larger mechanized farms to the north could reach the area and wheat production and milling all but disappeared from the region. DANA is working with Mayan communities to revive this industry as a means to strengthen their economic independence. This project was developed as of the result of the FtF volunteer, Tom Siebel. Mr. Siebel was in Mexico and upon the recommendation of friends, met with DANA in San Cristobal to explore organic wheat production. Jointly, a community development project was developed based on organic wheat production.</p> <p>The methodology DANA has established is starting with the market. DANA identified a market in La Casa Del Pan, an organic bakery and vegetarian restaurant and close collaborating partner. This restaurant organized buyers (2 other bakeries and a flourmill) through its connections through the San Cristobal restaurant associations and collaboration with local bakers. A premium price for hand cultivated organically grown wheat was set at 1 peso per kilogram over the retail price of 5 pesos charged at local health food stores for a total of 6 pesos per kilogram.</p> <p>Cash crops that have the potential to provide stable income are very valuable to these rural communities. Mayan communities have very few means of generating on farm income. With the exception of coffee, which makes up 80% of the agriculture in Chiapas and is experiencing a world wide depressed market currently, Mayan producers have few crops that generate income. What cash crops do exist are purchased through a system of low farm gate prices controlled by middlemen (coyotes). Almost all producers are forced to leave their villages for extended periods to earn cash for their families. The development of farm to market linkages that provide a stable income to Mayan communities and pay these producers a premium for their value added organic produce is a priority for DANA.</p> <p>Connection with a rural community was established through a local shop owner in San Cristobal, originally from the village of Rio Florido. The rural community of Rio Florido originally was a wheat growing area. At the time that the Volunteer visited Rio Florido, wheat production had shrunk to several square meters grown by one producer for personal consumption and limited sale for medicinal uses on the local market. With the incentive of a guaranteed premium market, the community was very interested in expanding wheat production. Twenty producers planted individual plots of ¼ hectares to explore the potential of growing wheat as a cash crop.</p> <p>The FtF Volunteer worked with the local organization and a Corn and Wheat Research Institute to investigate a source of seed that would be best suited for the growing conditions in the Chiapas highlands. The institute was able to donate</p>	<p>✓ Guaranteed premium market, 4 new market linkages established.</p> <p>✓ Fit with DANA community development goals: <i>income generation</i></p> <p>✓ 20 new producers planted individual plots to explore potential of growing wheat as a cash crop.</p> <p>✓ Seed for project donated by local research institute.</p> <p>✓ Donated processing equipment was used in new method for threshing wheat</p>
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<p>seed for the project used for planting a new harvest. Wheat production knowledge had been lost to everyone in the community with the exception of one producer. The FtF volunteer worked with the communities, training them in the production of wheat. Upon the volunteer's departure, producers were able to refer to this particular producer when questions about production methods and process arose.</p> <p>The previous method for threshing the wheat in the village involved having horses trample the sheaves of wheat. This method was time consuming and resulted in substantial loss. The volunteer was able to procure the use of a threshing machine from the Institute. Transportation costs for getting the thresher to from the institute to the community and back to the institute were shared between the buyers, DANA, and the community.</p> <p>Unfortunately, a frost in the highlands damaged the crop. Varied seed dispersal and other problems associated with a lack of overall experience amongst producers also contributed to a low yield for the first year. A total of 1000 kilograms of wheat were sold by the producers to the premium market during this first trial production season for a total of 6,000 pesos (\$600).</p> <p>Producers recognize the potential of this market. They are currently preparing fields for this year's planting. The work of identifying the best seed variety for the region continues. The volunteer has worked with an agriculture research institute in Guatemala with experience in wheat production under similar growing conditions. DANA paid for them to travel to Rio Florido and establish wheat seed test plots. Forty-five kilograms of seed were donated to the project. The seed from these test plots will remain with the community.</p> <p>During the coming year, the program will work on resolving the issue of the thresher. Transportation costs were too high to make last year's model for threshing economically viable. The program is currently working on identifying alternative threshing equipment for the project.</p> <p>In association with this project, DANA has hired an additional staff person. Alma Almalia Gonzalez was added to the DANA team. Ms. Gonzalez further expands the existing capacity of DANA, as she is an agronomist and licensed to certify organic production.</p>	<p>✓ Value added processing, reduced loss and processing time.</p> <p>✓ Wheat sold by producers to premium market during first trial season.</p>
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WORLDWIDE FARMER-TO-FARMER/MEXICO IMPACT

Asesoría Técnica en Cultivos Organicos, Tabasco, Mexico

Technical Assistance Assignment Status		
FTF Volunteer	Assignment Type	Dates of Assignment
John Burstein	Proposal Development	June 2 nd to June 13 th , 1999
BK Matlick	Marketing	December 12 th to December 22 nd , 1999
Nicholas Full	Marketing	December 12 th to December 22 nd , 1999
Ron Lewis	Marketing	December 12 th to December 22 nd , 1999
Kristin Juliar	Proposal Development	March 26 th to March 31 st , 2000
Gerardo Gonzalez	Cacao Certification	February 20 th to February 25 th , 2001
Harriet Behar	Cacao Certification	February 20 th to February 25 th , 2001
Arturo Jimenez	Cacao Certification	February 4 th to February 13 th , 2002
Maureen Donaghy	Institutional Strengthening	June 26 th to August 7 th , 2002
Nancy Flores	Fruit Production	September 3 rd to September 12 th , 2002

PROFILE

The following report reflects impact resulting from all of the volunteers that have collaborated with the Farmer to Farmer program. The percentages reflect advances that have occurred between 1997-2002.

THE PRODUCTION ASPECT

Organic agriculture is an alternative to viable production, which allows the producer to take advantage of various products commercially. They are also able to obtain other products, which diversify their normal diet and put them on the road to self-sufficiency in the food area. The commercialization aspect in this project has assisted not only the inhabitants of each community, but also hundreds of neighboring communities that obtain better pay immediately for their conventional product. This project is establishing channels of commercialization for cacao and their products so that the project can become self-financing.

THE SOCIAL ASPECT

The formation of the small groups of development, apart from the community organization, permits the establishment of true working groups with the capacity to resolve and create initiatives. Small working groups or commissions that understand the problems of the community and the needs of the project completed the work during the last couple of months. Of the same manner, the formation of human resources in certain communities has determined in great part the dependence of the external technical assistance. This provides great savings to the participants of the various communities.

✓ 80% of goals met

✓ 60% of goals met

<p>One very important aspect is the integration of other core groups of the population, which before this initiative, were unified in activities surrounding the transformation of cacao into chocolate for the women of the community. The collaboration of the children and youth in the implementation of nurseries and the preparation of fertilizers is also a goal of the group.</p>	
<p>THE ECOLOGICAL ASPECT</p> <p>The awareness of a population with regard to the conservation of natural resources and the importance of saving local endangered species is a very important aspect. There are also considerable advances in the culture of recycling, whereas the organic agriculture helps with a wide range of prepared consumables which in turn helps with the waste in the community the majority of times.</p> <p>Another very important aspect to mention is the recuperation of the local flowers and vegetation, which in the past has been lost due to the practice of monocultivation. The various flowers and vegetation provide fruits and vegetables, which in turn provide nutrients to the people of the community. The vegetation also provides nutrients for the soil, which assists in the diversification of cultivation.</p> <p>All of these species and many others more have been cultivated in the nurseries established for this project. A certain part of the land of the community participants was cleared with the help of their children. On the other hand, this project has given the use of alternative energy as in the case of sun for the cacao, when meteorological conditions permit this. In the same manner, it gives the adequate use of animal waste for compost, as an alternative to the use of chemical inputs.</p>	<p>✓ 70% of goals met</p>
<p>THE ECONOMIC ASPECT</p> <p>The commercialization of the independent groups will permit them in selling the cacao directly to the industry, which will allow them to receive a better price, a large number of beneficiaries and a major influx of capital. This scenario permits us to make an analysis of the cost-beneficiary that we are able to see if it is good. This strategy of production requires much more attention and specialized work for the producer. Many advantages are also achieved such as: receiving a better price for their cacao and the recovery of their traditional means of cultivation. They are also able to find other options for investment for the sale of other products that are also located on their parcels of land. The diversification of their diet and the participation of other sectors of the population of the community, in this case, young people, children and women are also benefits.</p>	<p>✓ 50% of goals met</p>
<p>THE ASPECT OF WOMEN</p> <p>This project works with the participation of women as a way of working and adding value to the locally produced products. The transformation of the fruit</p>	<p>✓ 80% of the goals met</p>

<p>and the cacao is an important aspect, as it allows us to enter the international markets at the right time and with organic products. Since the month of September, ATCO began commercializing the chocolate that was produced by the groups of women. They have collaborated with a firm located in Mexico City that distributes organic products.</p> <p>During the month of September they sold 150 kilos; in October, 750 kilos and for November and December, they plan to commercialize 3 tons of the product. This strategy gives aggregate value to the cacao in the same community in which it is produced, since the producer is able to get a better price and the women are able to transform it into value-added chocolate. The women are also planning on developing fruits and will continue that process with the assistance of two more volunteers.</p> <p>THE CULTURAL ASPECT</p> <p>The participation in the recuperation of the technical aspects associated with the cultivation of cacao, this relates to the traditional practice of making chocolate, the methods of which were used by their ancestors in this part of the country. On the other hand, in the past year, we received a prize for our part in the International Movement – Slow Food, for contributing to the preservation of ancestral foods and for actively working to preserve the bio-diversity.</p>	<p>✓ 60% of the goals met</p>
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ATTACHMENT A

**Program Monitoring Tables
Table's I-X**

FTF Program Inputs and Outputs

Land O' Lakes has implemented our FTF tracking database to collect, store, and report the information contained in these tables. In a few cases, we were not tracking this information but have introduced new procedures to gather this information.

Table I.1-Annual Volunteer Inputs

	FY 00	FY 01	FY 02
A. Total LOP number of volunteers ¹	31	85	110
Male	26	71	87
Female	5	14	23
B. Annual number of international FTF volunteer trips ²	36	71	33
C. Annual average cost per volunteer day ³	\$734	\$444	\$861
D. Annual estimated value of FTF volunteers' professional time	\$129,595	\$301,893	\$151,813

¹This number is **cumulative**. One volunteer may only be counted once in this row for the entire LOP. For example, "Bob Smith" who takes 2 volunteer trips in FY 00, one in FY 01 and three in FY 02 will be counted once as a volunteer in FY 00, and never again.

²International Volunteer Trips originate in the U.S. A multiple assignment trip in which the volunteer travels between two local countries will only count as one International Volunteer Trip. For example, if the volunteer leaves the U.S., completes an assignment in Ukraine and then flies to Russia for a final assignment before returning to the U.S., the volunteer has only completed one trip for the purposes of this table. In the event that a volunteer is originating from a country other than the U.S., count the volunteer trip as being from home country to area of assignment/s.

³The intent of Row C is to provide a simple annual measure of the cost efficiency of the volunteer program. For each reporting period, please provide an average cost per volunteer day, including all overhead and indirect costs. Volunteer Days should be calculated the same as "per diem days". Any day, or fraction thereof, in which a volunteer is entitled to per diem is considered a Volunteer Day.

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Table I.2-Cumulative Number of Volunteers and Assignments by US State of Origin

		Cumulative Number of Volunteers (see Table I.1, Row A) ¹						Cumulative Number of Volunteer Assignments ²					
		Previous Total		This Period		New Total		Previous Total		This Period		New Total	
Regions	States	Male	Female	Male	Female	Male	Female	Male	Female	Male	Female	Male	Female
Northeast													
	Connecticut		1				1		1				1
	Delaware												
	Maine		1				1		1				1
	Maryland	2				2		5				5	
	Massachusetts	1				1		1				1	
	New Hampshire												
	New Jersey	3				3		3				3	
	New York	2				2		2				2	
	Pennsylvania	2	1			2	1	3	1			3	1
	Rhode Island												
	Vermont	3	1			3	1	3	1			3	1
	Washington, DC	2			2	2	2	4			2	4	2
	Subtotal	15	4	0	2	15	6	21	4	0	2	21	6
Southeast													
	Alabama	1				1		1				1	
	Arkansas												
	Florida	3		1		4		4		1		5	
	Georgia	1				1		1				1	
	Kentucky												
	Louisiana												
	Mississippi												
	North Carolina												
	South Carolina												
	Tennessee												
	Virginia	1	1			1	1	1	1			1	1
	West Virginia												
	Subtotal	6	1	1	0	7	1	7	1	1	0	8	1
Midwest													
	Illinois	1				1		1				1	
	Indiana												
	Iowa	3				3		3				3	
	Kansas												
	Missouri	1				1		2				2	
	Nebraska	1		1		2		3		1		4	
	Ohio		1				1		1				1
	Subtotal	6	1	1	0	7	1	9	1	1	0	10	1

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Table I.2-Cumulative Number of Volunteers and Assignments by US State of Origin (Cont.)

Regions	States	Cumulative Number of Volunteers (see Table I.1, Row A)						Cumulative Number of Volunteer Assignments					
		Previous Total		This Period		New Total		Previous Total		This Period		New Total	
		Male	Female	Male	Female	Male	Female	Male	Female	Male	Female	Male	Female
Upper Midwest													
	Michigan	3				3		6				6	
	Minnesota	20	4	1	1	21	5	22	4	2	1	24	5
	North Dakota				1		1				1		1
	South Dakota	1				1		1				1	
	Wisconsin	5	1			5	1	6	2			6	2
	Subtotal	29	5	1	2	30	7	35	6	2	2	37	8
Rocky Mountain													
	Colorado	5	1	1	1	6	2	6	1	1	1	7	2
	Idaho	1		1		2		1		1		2	
	Montana												
	Utah												
	Wyoming	1				1		2				2	
	Subtotal	7	1	2	1	9	2	9	1	2	1	11	2
West Coast													
	Alaska	1				1		1				1	
	Hawaii	1		1		2		1		1		2	
	California	2	2			2	2	5	4	1		6	4
	Oregon	2	1	3		5	1	2	1	3		5	1
	Washington												
	Subtotal	6	3	4	0	10	3	9	5	5	0	14	5
Southwest													
	Arizona												
	Nevada												
	New Mexico	3	1	1	1	4	2	4	1	2	1	6	2
	Oklahoma												
	Texas												
	Subtotal	3	1	1	1	4	2	4	1	2	1	6	2
other													
	Mexico	2				2		3				3	
	Puerto Rico	1				1		1				1	
	Holland	1				1		3				3	
	US Virgin Islands	1				1		1				1	
	Jamaica		1				1		1		1		2
	Subtotal	5	1			5	1	8	1		1	8	2
	TOTAL	77	17	10	6	87	23	102	20	13	7	115	27

¹ This number is cumulative. One volunteer may only be counted once in this row for the entire Length Of Program.

² This number is cumulative, however it will reflect a double-counting of volunteers, as often a volunteer will perform multiple assignments, either by piggy-backing on a single trip or by making multiple volunteer trips.

Table II-Annual Volunteer Outputs

	FY 00	FY 01	FY 02
A. Annual estimated value of resources leveraged by the grantee/volunteers in the U.S. ¹	\$8,159	\$12,380	\$4,404.62
B. Annual estimated value of resources leveraged by the host in host country ²	\$11,887	\$45,695	\$16,637.00
C. Annual estimated value of resources mobilized by Host ³	\$0	\$0	\$0
D. Annual total number of direct beneficiaries of FTF volunteer assistance ⁴	486	980	1,001
Male	425	639	630
Female	61	341	371
1. Annual number of persons receiving direct formal training (a subset of direct beneficiaries) ⁵	294	620	2,346
Male	261	379	1,316
Female	33	241	1,030
E. Annual number of Hosts who have participated in U.S. based training and exchange programs through all sources (e.g. USIA, NET, Cochran, etc.)	3	0	1

¹ These funds are raised in the U.S. by the volunteer or grantee and counted as a matching contribution for the grant. Sum across years will provide LOP total.

² These are funds leveraged by the host in the host country. Some examples might be lodging, meals or translator assistance provided by the host. This number is an estimate and also counts as a matching contribution for the grant. Sum across years will provide LOP total. (This row does not include "resources mobilized").

³ "Resources mobilized" are resources that FTF volunteers assist their hosts in accessing, such as various sources of credit, state assistance, PL 480 local currency, other donor assistance, etc. Sum across years will provide LOP total.

⁴ Direct beneficiaries receive face-to-face or hands on training or assistance from the FTF volunteer. Indirect beneficiaries (for example, those trained by direct beneficiaries) should not be included in this data.

⁵ Formal training would include an organized seminar in which participants are invited to specifically attend for planned and scheduled training. This would not include an impromptu or unplanned session.

Table III - FTF Host Assignments Cumulative Summary

FTF Hosts¹	Previous Total	New Total
A. Host with a single FTF assignment. ²	64	81
B. Hosts with multiple FTF assignments. ³	23	25
Total number of Hosts⁴	87	106

¹ There should be no carryover numbers from the former grant program, i.e.; multiple assignments include only those in the current grant program. A host will not be counted more than once in this table for the entire LOP.

² Hosts with first-time assignment(s) may receive one volunteer or a team of volunteers. For example, if three volunteers work together with a single host for the first time, that host should be counted in row A.

³ Once a host receives a second assignment, add it to New Total in row B, hosts with multiple FTF assignments. Subtract this number from Row A. For example, if the former total number of hosts with first time assignments is 10, and in this reporting period, five of those hosts receive volunteer assistance again, then the "new total" column will reflect five additional hosts in Row B, and consequently it will reflect five fewer hosts in the "new total" for Row A.

⁴ The LOP Total to date will always be reflected in the Total Hosts/New Total box which is a sum of A+B.

Table IV - Annual and Cumulative Total Number of FTF Hosts

Host Categories¹	FY 00		FY 01		FY 02	
	Annual²	Cumulative³	Annual	Cumulative	Annual	Cumulative
A. Private Enterprises	1	1	25	26	17	43
B. Organizations	23	23	21	44	9	50
C. NGOs	3	3	7	10	3	12
D. Rural Financial Institutions	0	0	0	0	1	1
Total Number of Hosts⁴	27	27	53	80	30	106

¹ The new host classifications in Table IV replace the old system for PVC/FTF's purposes. However, it is recommended that each grantee keep a more detailed breakdown of host categories as it applies to each specific program. The categories in this table are defined below. All FTF hosts should be counted in only one of the following:

- A. Private Enterprises: These are primarily farmers and agribusinesses. They may also include informal farm and community groups.
- B. Organizations: This category includes Cooperatives, Associations, Governments, Education Institutions, and other formal organizations, excluding NGOs. NGOs are counted in a separate category.
- C. NGOs are non-governmental, non-profit organizations serving community interests. NGOs are "host country PVOs". Many different types of hosts will fit under the NGO category according to the PVC/FTF criteria listed here. Therefore, use the NGO category if a host cannot be defined in any other category according to the indicator guidelines that PVC/FTF has set forth. For example, an association is an association first and an NGO second. "Association" will provide a more specific definition of the host type.
- D. D. Rural Financial Institutions: These are lending institutions with rural outreach to the agricultural sector

² Annual data should apply to the Fiscal Year indicated. If one host was assisted during more than one year, that host should be -counted once each year TA was received. Do not double count Hosts within a single year. For example, if Host A (a Private Enterprise) received volunteer assistance in February FY 00, April FY 00 and December FY 01, that host will be counted once in the Private enterprise Row for FY 00 Annual, once for FY 00 Cumulative, and once again for FY 01 Annual. Host A should not increase FY 01 Cumulative total.

³ The purpose of this column is to track the total number of hosts worked with in each category for the LOP. There should be no double counting. If one host is assisted in more than one year, they will be counted each year in the "Annual" column, but they will only be counted the first year of assistance in the "Cumulative" column. Therefore, if there are no new hosts in a given category for one reporting period, the cumulative number will be the same as the previous reporting period. Also, the final year of reporting should also serve as the LOP total for the cumulative data.

⁴ The total of A+B+C+D in each of the "Cumulative" columns should also equal the total number of hosts from Table III.

The results in **Tables V** through **IV** come from hosts who have been surveyed during this reporting period. Field staff usually completes impact surveys 6 to 12 months following the volunteer assignment. The schedule of the impact survey based upon when the results are expected to begin appearing.

Table V. Hosts with Improved Business Operations as a Result of Grantee/Volunteer Assistance

	FY 00			FY 01			FY 02		
FTF Hosts¹	Hosts Assessed²	Hosts Impacted³	% of Hosts Impacted	Hosts Assessed	Hosts Impacted	% of Hosts Impacted	Hosts Assessed	Hosts Impacted	% of Host Impacted
A. Number of hosts providing new or improved products and/or services.	7	7	100%	3	3	100%	27	25	93%
B. Number of hosts with production increases over pre-assignment levels.	4	4	100%	6	6	100%	21	20	95%
C. Number of hosts with increased business efficiency or resource conservation. ⁴	3	3	100%	2	2	100%	22	21	95%
D. Number of hosts receiving increased revenue/resources through increased sales receipts as a result of grantee/volunteer intervention.	6	6	100%	6	6	100%	15	14	93%
E. Number of hosts with increased profits.	7	7	100%	8	8	100%	18	16	89%

Note: Numbers in FY 00 and FY 01 Hosts Assessed columns were not reported prior to impact. Due to previous data collection methods.

¹ Any Host (regardless of type) included in Inputs Table IV can be counted here.

² Note that the previous heading of "Host Targeted" has become "Host Assessed." Please assume that if a host is assessed under a specific indicator, then it is being targeted for change as measured by that indicator. But you should only count a host on this table after an assessment has been completed, regardless if the assignment and assessment were completed in different fiscal years. Please count the host in this new column for the year in which the assessment was completed.

³ Targeted Hosts meeting performance objectives as determined from assessment should be counted in all applicable indicator categories as "Hosts Impacted."

⁴ "Resource conservation" in this table refers to business or financial resources and should be differentiated from "natural resource conservation" listed on Table IX-"FTF Hosts with Improved Use and/or Protection of the Environment."

Table VI. FTF Hosts with Improved Organizational Capacity as a Result of Grantee/Volunteer Assistance

	FY 00			FY 01			FY 02		
FTF Hosts¹	Hosts Assessed²	Hosts Impacted³	% of Host Impacted	Hosts Assessed	Hosts Impacted	% of Host Impacted	Hosts Assessed	Hosts Impacted	% of Host Impacted
A. Number of organizations formed as a result of grantee/volunteer intervention. ⁴	1	1	100%	1	1	100%	7	6	86%
B. Number of hosts using new or improved planning techniques, program methodologies and/or management practices, including the use of a business plan or a strategic plan.	7	7	100%	2	2	100%	22	20	91%
C. Number of hosts with increased revenue/resources through new grants and/or increased fees.	2	2	100%	0	0	0%	12	10	83%
D. Number of hosts that have increased their membership as a result of grantee/volunteer interventions.	3	3	100%	1	1	100%	10	9	90%

¹ Any Host (regardless of type) included in Inputs Table IV can be counted here.

² Note that the previous heading of "Host Targeted" has become "Host Assessed." Please assume that if a host is assessed under a specific indicator, then it is being targeted for change as measured by that indicator. But you should only count a host on this table after an assessment has been completed, regardless if the assignment and assessment were completed in different fiscal years. Please count the host in this new column for the year in which the assessment was completed.

³ Targeted Hosts meeting performance objectives as determined from assessment should be counted in all applicable indicator categories as "Hosts Impacted."

⁴ An organization formed must meet the following criteria:

- Operating with democratic principles.
- Has initiated efforts to gain legal recognition from the government.

Table VII - FTF Hosts with Improved Services to Membership/Employees as a Result of Grantee/Volunteer Assistance

FTF Hosts ¹	FY 00			FY 01			FY 02		
	Hosts Assessed ²	Hosts Impacted ³	% of Host Impacted	Hosts Assessed	Hosts Impacted	% of Hosts Impacted	Hosts Assessed	Hosts Impacted	% of Hosts Impacted
A. Number of hosts that have successfully intervened on behalf of members with government or business.	1	1	100%	3	3	100%	11	9	82%
B. Number of hosts with new training courses or new subject matter for courses to use with membership or associates.	0	0	0%	0	0	0%	7	6	86%
C. Number of hosts with improved training materials and skills.	0	0	0%	0	0	0%	10	9	90%

¹ Any Host (regardless of type) included in Inputs Table IV can be counted here.

² Note that the previous heading of "Host Targeted" has become "Host Assessed." Please assume that if a host is assessed under a specific indicator, then it is being targeted for change as measured by that indicator. But you should only count a host on this table after an assessment has been completed, regardless if the assignment and assessment were completed in different fiscal years. Please count the host in this new column for the year in which the assessment was completed.

³ Targeted Hosts meeting performance objectives as determined from assessment should be counted in all applicable indicator categories as "Hosts Impacted."

Table VIII - FTF Host with Improved Financial Services to the Agricultural Sector as a Result of Grantee/Volunteer Assistance

FTF Hosts ¹	Hosts Assessed ²	Hosts Impacted ³	% of Hosts Impacted	Hosts Assessed	Hosts Impacted	% of Hosts Impacted	Hosts Assessed	Hosts Impacted	% of Hosts Impacted
A. Number of Hosts with an increased number of agricultural related loans	0	0	0%	0	0	0%	2	2	100%
B. Number of Hosts with loan delinquency rate < 10%	0	0	0%	0	0	0%	1	1	100%
C. Number of Hosts that provide improved banking services to the agricultural sector ⁴									
1. Number of Hosts with an increase in average loan size	0	0	0%	0	0	0%	0	0	0%
2. Number of Hosts with an increase in Producer Portfolio Value (ag production and processing loans)	0	0	0%	0	0	0%	0	0	0%
3. Number of Hosts with an increased number of Branches/Groups	0	0	0%	0	0	0%	1	1	100%
D. Number of Hosts with an increase in Enterprise Portfolio Value (microfinance loans)	0	0	0%	0	0	0%	0	0	0%

¹ Any Host (regardless of type) included in Inputs Table IV can be counted here.

² Note that the previous heading of "Host Targeted" has become "Host Assessed." Please assume that if a host is assessed under a specific indicator, then it is being targeted for change as measured by that indicator. But you should only count a host on this table after an assessment has been completed, regardless if the assignment and assessment were completed in different fiscal years. Please count the host in this new column for the year in which the assessment was completed.

³ Targeted Hosts meeting performance objectives as determined from assessment should be counted in all applicable indicator categories as "Hosts Impacted."

⁴ This is the main heading for the three indicators below it. It is not meant to be measured as an indicator.

Table IX - FTF Hosts with Improved Use and/or Protection of the Environment as a Result of Grantee/Volunteer Assistance

	FY 00			FY 01			FY 02		
FTF Hosts¹	Hosts Assessed²	Hosts Impacted³	% of Hosts Impacted	Hosts Assessed	Hosts Impacted	% of Hosts Impacted	Hosts Assessed	Hosts Impacted	% of Hosts Impacted
A. Number of Hosts adopting one or more practices to improve waste or pollution management.	0	0	0%	0	0	0%	8	8	100%
B. Number of Hosts adopting one or more practices to improve natural resources management (soil, water, forest, grazing lands, national park land, etc.).	3	3	100%	3	3	100%	13	11	85%

¹ Any Host (regardless of type) included in Inputs Table IV can be counted here.

² Note that the previous heading of "Host Targeted" has become "Host Assessed." Please assume that if a host is assessed under a specific indicator, then it is being targeted for change as measured by that indicator. But you should only count a host on this table after an assessment has been completed, regardless if the assignment and assessment were completed in different fiscal years. Please count the host in this new column for the year in which the assessment was completed.

³ Targeted Hosts meeting performance objectives as determined from assessment should be counted in all applicable indicator categories as "Hosts Impacted."

Public Outreach Activities

Land O'Lakes and the Farmer to Farmer program continue to place a high priority on the importance of public outreach. Our program is definitely enhanced by the outreach activities performed by our former volunteers and International Development staff. Public outreach by volunteers is beneficial in many ways; most importantly it educates fellow Americans on countries that are developing their agricultural infrastructure and how Americans can help with this endeavor. Education is the key to increasing our volunteer base and improving the quality of our Farmer to Farmer assignments.

Some staff members attended outside functions to promote the Farmer to Farmer program, such as a USDA Armenia conference in Savannah, Georgia and a Federation of Southern Cooperatives reception in Birmingham, Alabama. All staff members also attend the Land O'Lakes Annual Meeting in order to meet board members, producers and employees within the Land O'Lakes cooperative system. To enhance the work done during the Annual Meeting, the International Division also distributes an International Outlook newsletter, which has 1,200 people on the mailing list. An Employee Edition is also distributed via the Internet to 2,200 employees.

Table X - Increased Awareness in the U.S. Agricultural Sector Concerning International Agricultural Development¹

Indicators	FY 00	FY 01	FY 02
A. Number of FTF volunteers who have performed public outreach activities.	4	8	7
B. Number of media events by implementors and FTF volunteers. ²	9	4	15
C. Number of group presentations by implementors and FTF volunteers.	6	6	6

Newspaper and Newsletter articles received in the past six months are included in **Appendix C**.

¹ This remains a primary objective of the FTF Program. An overall assessment of FTF impact on "Increased Awareness in the U.S. Agricultural Sector" will be addressed in periodic evaluations by PVC/FTF. Currently, the FTF Program makes measurements at the output level on the indicators listed in the table above.

² Any internet-based outreach activity should be counted as a media event in row B. Examples may include hosting a chat room or using the internet or an email system to disseminate a newsletter. This does not include emailing information packets for recruitment purposes.

ATTACHMENT B

Semiannual Financial Summary

ATTACHMENT C

Newspaper Articles

The Gleaner
Jamaica

Getting to the roots - No alternative to farming in rural Jamaica

By Marjorie A. Stair, Western Bureau Chief

Many of the farms, if you see any, are run down and in poor condition. - File

"I have read that our country is stabilising. That may be true, but we have no jobs. We can't send our children to school. Maybe stabilising is a good thing for the countries we pay debt to, but here life is getting harder"

- Zambian woman - from the 1999 OXFAM Poverty Report on Structural Adjustment

Dr. Omar Davies, Honourable Minister of Finance, is proud of the economic progress made under his watch, and I guess he should be. The rate of inflation is down, the foreign exchange rate is relatively stable, interest rates have decreased, NIR has increased, there has been reduction of the fiscal deficit and there has been some semblance of growth after many years of decline.

The 2000 Survey of Living Conditions speaks of the continuing disparity between the rich and the poor and the problems of inequity and inequality that continues to plague the country, however. In the year 2000, the poorest quintile in Jamaica had only a 6.67 per cent share of national consumption, as compared to the wealthiest that had a 46 per cent share. Poverty increased from 16.9 per cent in 1999 to 18.7 per cent in 2000, down from a high of 28.4 per cent in 1991. Poverty in rural areas increased from 22 per cent in 1999 to 25.14 per cent in 2000. The report on the 2000 survey states:

"Regardless of the level, however, some features of the poor have remained penetrating and unassailable; persons in the rural areas are almost twice as likely as their urban counterpart to be poor, the poor have lower levels of education, their children participate largely at the lower levels of the education system, their households are larger and they are more likely to share basic housing amenities."

Rural towns are overcrowded, with the streets taken over by vendors and, areas adjacent to towns taken over by squatters. Rural districts are pictures of severe decline. The roads are in deplorable condition. Most shops are closed except the one or two selling 'Lucky Five', 'Cash Pot', or containing gambling machines. You might see a Go-Go club or some form of dance hall as these provide good cover for the commercial sex trade and the narcotic drugs trade. In the poorest of areas, like in the Milk River area, you see bags of coal along the roadside as the only sign of economic activity. Many of the farms, if you see any, are run down and in poor condition. There are lots of idle lands and remnants of better farming days. There is now a proliferation of signs offering land or lots for sale in Southern St Elizabeth. Farming is still taking place in the area that usually supplies Jamaica with escallion, thyme, carrots, onions, tomatoes, sweet peppers and melons, but, obviously not at previous levels. My information is that some farmers in Southern St Elizabeth, as well as other farming areas, have shifted their efforts from selling their own produce to selling imported produce.

There is yet no other feasible economic alternative to farming in rural Jamaica. The bauxite industry has contracted; community tourism is yet to take off in any meaningful way and the tourism industry itself is in problems. The proposals, by rural Members of Parliament and wanna-be rural MP's, seeking to be elected, to build factories and skill training centres might sound good on paper but to what end if there is no market to take the produce of the factories, no raw material to facilitate production and no surplus income available to rural people to purchase the output or services of these skilled workers.

For Jamaica to achieve meaningful economic growth, investment must take place. Jamaicans or foreigners must invest capital in the Jamaican economy, creating jobs; thereby creating surplus income that will create demand for increased goods and services and, therefore, further investment and growth.

Land O' Lakes, Inc. Worldwide Farmer-To-Farmer Program Year 6 Semiannual Report 2

The huge informal economy, driven primarily by the trading of narcotic drugs, has masked and reduced the more devastating effects of the huge fall out in the formal economy, but has brought its own social problems, such as increasing crime and violence that are anti-investment. Investment requires viable markets and capital to facilitate production. Agricultural production cannot be increased in the short term, in response to increased demand for goods and services, and requires a minimum of a year, with tree crop and livestock enterprises requiring longer periods, as much as 5 to 7 years. Short-term crops that can respond more quickly have faced increasing competition from dumped US imports in recent years.

Agriculture also requires significant investment in research and development to improve the capability of the sector to exploit new technologies and innovations. The lack of investment in R & D, especially over the past three decades, has limited the country's ability to exploit these technologies that could have made the sector more efficient and more competitive in the face of globalisation and the new international trading agreements.

Any reduction in rural poverty in the short term must mean increased agricultural investment. Increased agricultural investment is constrained by the following to which solutions must be found by those who now govern, or those who are now seeking to govern the country:

1. Many Jamaican farmers are bankrupt. They have no capital to invest and cannot obtain credit because of previous indebtedness or loss of assets to financial institutions that had provided them with credit. The sugar cane farmers are a good example and there will be no planting of sugar cane until a solution is found to this intractable problem. Are we going to import sugar cane to feed our modernised and upgraded sugar factories?
2. Former markets have disappeared and existing ones contracted because of increased competition from dumped and/or cheap imports
3. Labour is scarce as rural labour migrates to urban areas, or overseas in search of employment. There is also competition from the narcotic drugs trade that offer supposedly more attractive employment opportunities.
5. Praedial larceny has increased and there is no easy or ready solution to this as the security forces are already hard pressed in dealing with more violent crimes and making futile attempts to stem the narcotic drugs trade.

So, we have achieved stability, but at the expense of economic growth and the poor, especially the rural poor and the productive sector. The Jamaican taxpayer now faces a horrendous debt burden that would have been more palatable if the borrowed capital had been invested in the productive sector. A lot of it has instead been used to bail out the short-sighted financial sector which luxuriated in a mirage of wealth in the 1990's, fuelled by the monetary policies of the government in the 1980's and early 1990's, creating great edifices with their super profits before the eventful collapse. Wealth has been transferred from the poor to the rich and inequity and inequality continues to plague the country, with the gap between the rich and poor increasing instead of decreasing.

Jamaica Information System

News Release

Jan 16, Kingston (JIS)

Honey Bottling Plant to Open in Kingston

A honey bottling and packaging plant is to be built in the agricultural marketing complex on Spanish Town Road.

To be opened in late August, the plant will be managed by a Jamaica Bee Farmers' Co-operative which is to be registered shortly. Applications for membership are not being received by the All Island Bee Farmers' Association, which is forming the co-operative.

Plans for the bottling plant, which will have a grading and marketing division, were outlined to bee farmers at a recent meeting at the Bodles Research Station in St. Catherine. Also attending the meeting were members of a team from Land O' Lakes, Inc., in the United States, an organization involved in the bee-keeping industry. The team is headed by Project Officer, William Bullock.

The organization has volunteered to assist the co-operative with training in the operation and maintenance and has brought in agricultural specialist and honey bottling expert, Wally Diehnelt, to assist with the implementation of the project.

"At the moment the farmers are putting their shares together and by the end of this month we should have in excess of \$1 million," said Desmond Lowe, Vice President of the All Island Bee Farmers' Association and newly appointed Chairman of the Jamaica Bee Farmers' Co-operative Steering Committee. He emphasized that the co-operative would belong to the farmers, adding that whatever profit was made from the sale of the honey, would be put back in the co-operative. "The farmers will then decide what to do with it," he pointed out.

The Government has donated about \$5 million to the bee farmers association to purchase processing equipment. In addition, the association has sent proposals to the Eastern Jamaica Agricultural Support Project (EJASP) and the European Union seeking assistance for the project. Explaining the benefits to be derived, Mr. Lowe said that honey production levels were likely to increase since farmers would be able to spend more time looking after their apiaries, as they would no longer have the task of bottling and marketing their honey.

"Farmers will be able to sell their honey as the co-operative will be in a better position to bargain prices with local and overseas buyers," he explained.

Contact: E. Hartman Reckord

Tuesday, September 17th, 2002

The Gleaner

Jamaica

Honey bottling plant for Linstead

CONSTRUCTION WORK is in progress on a \$14 million local honey bottling plant in Linstead, St. Catherine that should help tackle some of the problems faced by the beekeeping industry. The plant should be in full operation by June next year and is part of the Ministry of Agriculture/Agricultural Services Support honey production and marketing project, geared at erasing bee-related problems.

The \$15.9 million project will also address problems plaguing the industry caused by exotic bee pests, lack of proper marketing, the need for improved technology and the high cost of beekeeping equipment. There are over 1,750 beekeepers in the industry and bee farmers have made substantial investments in infrastructure, bees, beekeeping equipment and transportation amounting to an estimated \$320 million. The estimated 35,000 hives in the country is valued at \$210 million and have an annual output of 9,000 tonnes of honey and a small quantity of bees wax and bee pollen valued at \$155 million.

The packaging house at Linstead is expected initially to purchase a third of the honey produced by bee farmers throughout the island and exporters are expected to purchase 80 per cent of the honey from the plant. It will also facilitate the expansion of the beekeeping industry into markets in Europe and the rest of the Caribbean. This information was released yesterday at the opening ceremony for the five-day Ministry of Agriculture/All Island Bee Farmers Association third Caribbean Beekeeping Congress held at the Jamaica Conference Centre. The conference will showcase the latest technology and research in the industry. Speakers at the conference will include researchers, producers and suppliers of technology for the industry.

DISEASE MANAGEMENT

Presentations will address the economics of beekeeping, local and international laws, pest and disease management and the contribution of bees to pollination, all geared at charting a course for the sustainable development of the industry.

Dr. Richard Harrison, Acting Permanent Secretary in the Ministry of Agriculture said that though Jamaica's beekeeping industry is the most developed in the English-speaking Caribbean, it still faces major problems. Though the country has the highest number of beekeepers, bee-hives and the highest output of honey and other products; an organised bee farmers association, the best level of Government support and more advanced apiary management systems, the industry has the potential for greater expansion as there is a great demand for honey on the world market. The beekeeping industry has an estimated potential earning of \$175 million annually from honey production (currently in the region of \$155 million per annum).

TESTING ON QUEEN BEES

The production of pollen is also a high income earner for beekeepers who should be able to reap approximately 30 pounds of pollen per annum. Bee farmers have also not started to produce propolis bees wax in large quantities and queen bees for export. They have also not begun to tap into value added products like roya jelly.

The development project also includes the establishment of two queen bee apiaries and laboratory testing on queen bees is currently being conducted to develop good quality bees that are highly productive and tolerant to pests. Training of bee farmers island-wide in pest and disease identification

Land O' Lakes, Inc. Worldwide Farmer-To-Farmer Program Year 6 Semiannual Report 2

should also begin next month and to lower the cost of equipment and encourage more persons to enter the business, the Government has allowed duty exemptions on new imported equipment.

Food processors to save \$460m from legislated change - *Batch-by-batch tests are no more*

By Lavern Clarke, Staff Reporter

A RECENT amendment to the Food Processing Act eliminated only one step in the bureaucracy, but on Wednesday manufacturers were quoting a \$460 million saving as a result, giving stronger credence to long held positions that Jamaica's red tape strangles efficiency and dampens competitiveness.

The amendment, which was officially announced over a week ago, exempts those companies with in-house quality or food safety management systems from mandatory batch by batch testing of their food samples by the local standards agency.

"Our major concern with the previous system was the increased production cost associated with sending samples of every production batch to the Jamaica Bureau of Standards," Jamaica Manufacturers' Association (JMA) president Clarence Clarke told the association's board Wednesday. Quoting what he said was the state-run Bureau's own estimates, the elimination of the batch testings, said Clarke, will bring annual savings of \$40 million to the food processing sector; and another \$20 million for doing away with the need for approval and export certificates.

But the major winner is expected to be the ackee exporters who the Jamaica Bureau of Standards (JBS) estimates will pocket an additional \$400 million from the erasure of the bottlenecks that came with the testings. "Ultimately, the amendment will result in a win-win position for the economy, as the Government will need less resource to monitor this system and producers will save money because of the elimination of one extra step," said Clarke.

Bureaucratic red tape and its cost to doing business locally has almost become a staple in business discussions within the trade associations, with the JMA president noting that it has become accepted as a part of doing business. The producers are pinning hope on the new administration paying increased attention to the needs of industry, with one director, Hendersen Davis noting that not since the 1950s as the sector done so poorly. And he warns, rising interest rates now at 19.75 per cent are about to wreak havoc on producers again. Clarke had earlier remarked that "uncompetitive interest rates" was also ranked high among a litany of factors stymieing the productive sector.

"What does it mean for the industry," Davis asked in support of Clarke's statement. "Must we take our money and buy bonds."

Manufacturing remains among the top employers, despite having haemorrhaged tens of thousands of jobs over the past decade. The latest STATIN labour force figures to April 2001, indicate that the sector employed 86,300, coming from over 120,000 ten years ago. The figures are quoted by quarters.

"We anxiously await the naming of the minister who will be given portfolio responsibility for industry and commerce," said Clarke, "as there are several issues that need to be dealt with urgently so that the productive sector can be that vehicle of job creation." The food processors victory came years after lobbying for the change, with Clarke urging the Jamaican producers to keep up the pressure on policy makers so that reforms are implemented more speedily.

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May 13-20, 2002



Hanson with representatives from the livestock

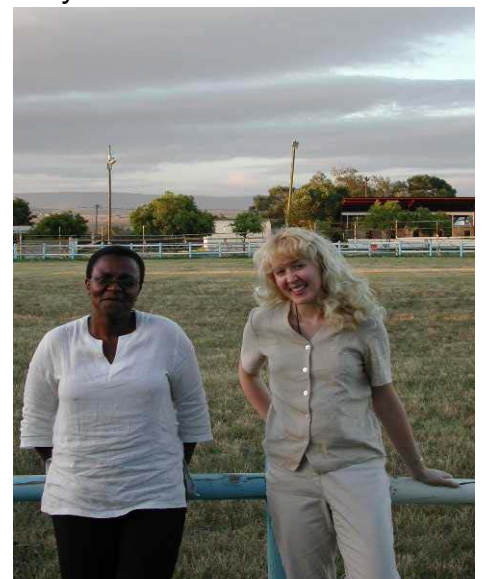
Rachel Hanson, relationship manager from Mankato, Minn., recently visited the Eastern Cape Province of South Africa for two weeks on a volunteer assignment with Land O'Lakes' International Development Division. This division of Land O'Lakes tries to provide meaningful humanitarian assistance in areas of the world that need help.

In the days of apartheid, residents of ten neighboring villages worked on the government-owned communal farm. The farm was managed by a private Israeli company. When apartheid ended, the government changed, and the Israeli company left. The farm has not been used since 1997 and several of its assets remain.

A board of trustees, with representatives from the ten villages, are now overseeing the assets and developing plans to put these assets to use. The board asked Land O'Lakes for

a consultant, who then sent Hanson.

Hanson assisted 13 newly-formed co-ops in preparing



Mandisa Ntlaboti, Land O'Lakes in-country representative with Hanson

Land O' Lakes, Inc. Worldwide Farmer-To-Farmer Program Year 6 Semiannual Report 2

business plans to put the land and assets to use. The businesses of the 13 co-ops were quite diverse, from crops and livestock to sewing and fence-making. If the co-ops prove themselves successful, the government may give them the assets in the future.

Hanson also worked with representatives of the co-ops to develop plans to run a business from leasing some of the assets of the communal farm.

If you'd like to learn more about volunteer opportunities with Land O'Lakes, please feel free to contact Hanson at (507) 386-7177 or Maria Matlashewski with Land O'Lakes at 1-800-328-9540.

Land O' Lakes.

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DONDERDAG/THURSDAY 29 AUGUSTUS/AUGUST 2002

Will our Zama Ukuphila Trust set an example?

SOMERSET EAST
Everywhere in South Africa we are looking for ways and means of launching new projects. Our own Zama Ukuphila Trust that was formed on the farms Prinsloo and Karkotskraal is doing their best to set an example for the rest of South Africa.

The above photo was taken at Prinsloo just recently, where Mr. LeRoy Vanicek, an Agri Business Consultant from the USA, was commissioned by his Government to assist in a project.

He was given the task to develop skills amongst black farmers. During the short duration of his stay in Somerset East, assisting the Trust, great strides forward were made.

Various farming skills have been identified and up and coming farmers have benefited from the training they have received.

Guidance and lectures were given on various farming activities. Everyone is hoping that the potential that was identified amongst the group of farmers will materialise into something worthwhile.

The Manager of the Trust, Mr. Chris Wilken feel very positive about the future.

Beste

Die beste ontwikkelde boere is reeds geïdentifiseer om opgelei te word in verskeie vertakings van die landbou.

Op die huidige oomblik word daar gekonsentreer op melkbokke, varke, slaghoenders en veebeeste. Die opgradering van kuddes is belangrik vir die ontwikkeling van die projekte op die plase Prinsloo en Karkotskraal, het mnr. Wilken gesê. Die

groep boere op die plase moet dit nou veel verder neem om hulself te bewys as landbouers. Slaag hulle daarmee, kan die Zama Ukuphila Trust 'n model wees vir landbouers in Suid-Afrika.

Die groep ontwikkelde boere is geweldig entoesiasies om hulself te bewys en die projekte wat hulle aanpak suksesvol te bestuur. Miljoene rande word aan opleiding en die projekte gespandeer. Alle oë is nou gevestig op Prinsloo en Karkotskraal en belangstelling van sover as Beaufort-Wes is reeds ontvang.

Ons wens Chris en die lede van die Trust alle sukses toe met dit wat hulle aanpak.



SOMERSET EAST

Some of the leaders in the farming community with Mr. LeRoy Vanicek from the USA who gave lectures on Agricultural matters on the farms Prinsloo and Karkotskraal, just outside Somerset East.